AUG 15 1986 COMPLETED 57 Y 1.1/5: 99-370

Calendar No. 775

99TH CONGRESS 2d Session | SENATE | REPORT 99-370

HF210

SETTING U.S. POLICY TOWARD APARTHEID

AUGUST 6 (legislative day, AUGUST 4), 1986.—Ordered to be printed

Mr. LUGAR, from the Committee on Foreign Relations, submitted the following

REPORT

ORIGINAL

together with

ADDITIONAL VIEWS

[To accompany S. 2701]

The Committee on Foreign Relations, to which was referred the bill (S. 2701) to provide a comprehensive policy for the United States in opposition to the system of apartheid in South Africa, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill (as amended) do pass.

PURPOSE

The purpose of the Act is to promote political, economic and social change leading to the dismantling of apartheid and the establishment of a nonracial, democratic political system in the Republic of South Africa.

MAJOR PROVISIONS

The bill codifies the provisions of the President's September 1985 Executive order. Among these are a ban on:

(1) loans to the South African Government and it entities;

(2) the export of computers, computer software, goods, and technology to those agencies of the South African Government which administer or enforce apartheid;

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(3) the export of special nuclear materials, sensitive technology, and other nuclear-related items except those for humanitarian and IAEA purposes;

(4) the import of arms, ammunition, and military equipment or manufacturing data from South Africa;

(5) the import of Krugerrands and other South African gold coins.

In addition, the following seven measures are prescribed by the Act:

(1) new investments in companies in South Africa are barred except that the extension of short-term trade credits and the reinvestment of profits generated in South Africa are permitted;

(2) imports from companies owned or controlled by the South African Government are embargoed;

(3) imports of uranium ore, uranium oxide, and coal are banned;

(4) air links between the United States and South Africa are cut off through the termination of the bilateral air services agreement;

(5) the South African Government and entities under its control or ownership may use U.S. banks only for diplomatic and consular purposes as authorized by the President;

(6) the President is authorized to sell U.S. gold resources to affect the prices of South African gold exports; and,

(7) the Secretary of State may, on a case-by-case basis, deny visas to South African Government officials.

The Act would provide for the imposition of additional measures in one year if the President determines that substantial progress has not been made in dismantling apartheid. Among the measures which the President may recommend to the Congress are the following: a ban on the importation of food, agricultural products, textiles, and diamonds; a ban on the importation of steel; a prohibition on U.S. military assistance to countries providing military goods to South Africa; a ban on the importation of strategic minerals; or a prohibition on the holding of deposits from South African nationals by the U.S. banks.

The Act would give the President authority to negotiate international agreements imposing measures on South Africa with other industrial democracies. The President would also be given the power to modify U.S. measures to reflect international agreements. Any foreign company taking advantage of U.S. measures to supplant U.S. businesses in South Africa would be made liable for damages in U.S. courts. Such action would also be made an unfair trade practice under section 301 of the Trade Act of 1974, giving the President the power to retaliate.

The economic measures imposed under the Act would be terminated if other political prisoners and Nelson Mandela are freed, the present state of emergency is lifted and detainees are released, the Group Areas and Population Registration Acts are repealed, democratic political parties are unbanned, and the South African Government publicly commits itself to negotiate with representatives of the black majority. The President may modify the meas-

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ures if other political prisoners and Nelson Mandela are freed and any three of the remaining four conditions are met.

Eight million dollars would be authorized in fiscal year 1987 for scholarship and training programs for black South Africans. This amount would rise to $15 million in fiscal year 1989 and beyond. One and one-half million dollars would be provided each fiscal year for human rights programs in South Africa. U.S. agencies purchasing goods and services in South Africa would be required to make efforts to buy from black-owned firms. The Export-Import ban would be directed to encourage the use of its facilities by black-owned companies.

BACKGROUND

The situation in South Africa has deteriorated steadily since the summer of 1984, when violence broke out in several black townships in response to rent increases, the existence of inferior educational facilities for blacks, and the constitutional reform which denied the black majority the right to participate in the newly structured parliament. At the heart of the turmoil is the apartheid system, which denies blacks the fundamental right to vote in the land of their birth. The South African Government responded to the violence and growing anti-apartheid protests with force. Since September 1984 some 2000 people, almost all black, have died as a result of political unrest. In 1985, 875 people died; according to South African police figures, 763 of these were killed by government security forces. During the state of emergency which was imposed by the government from July 1985–March 1986, an estimated 8,000 people were detained and about 900 were killed, the majority of these at the hands of government forces.

Radical young blacks, some as young as 11 years old, known as the "comrades" have contributed to the escalating level of violence, especially in the Cape Town and Port Elizabeth areas. In recent months, vigilante groups of older blacks, reportedly aided or tacitly supported by the government, have sprung up throughout the country. Clashes between these two groups have also contributed to the increasing violence. For example, at last 30,000 people were left homeless and more than 40 were killed in 10 days of fighting in the Crossroads squatter complex outside Cape Town. In addition to the generational battles between the comrades and the vigilantes, there have been violent clashes involving the United Democratic Front (UDF), Azanian People's Organization (AZAPO), Inkatha, and various minor black groupings over ideological, political, and tribal differences. Of the 900 people killed this year, about a third is attributed to violence among blacks. Sporadic bombings generally attributed to the African National Congress (ANC), have increased. Confrontations have also erupted between government forces and members of the extreme segregationist Afrikaner Resistance Movement.

In early June the South African Government imposed a ban on ceremonies to commemorate the 10th anniversary of the 1976 Soweto uprising, in which 600 black anti-apartheid protesters were killed. On June 12 a nationwide state of emergency was imposed and government security forces began rounding up thousands of

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anti-apartheid activists including trade union leaders, church and black community leaders, and members of the UDF and other political groups. Under the present state of emergency, the security forces have been granted sweeping powers including the right to use force; unprecedented censorship of the press and media has been instituted. To date, more than 4,000 persons have been detained and an estimated 160 have been killed.

President P.W. Botha justified the imposition of the state of emergency on the grounds that existing security legislation was inadequate in the face of escalating violence in the black communities and plans by "radical and revolutionary elements" to extend the violence nationwide. Although the government claims that the security forces are in the townships to maintain calm, statistics indicate that the average number of deaths has tripled to six a day this year. In imposing the state of emergency, P.W. Botha told Parliament that between March 1 and June 5, 284 blacks had been killed in intra-black violence, of whom the majority (172) were killed by the necklace method of burning alive. According to black leaders and others who have visited the townships, the presence of the troops in the township has contributed substantially to the rising tensions. In April, shortly after the government lifted the first state of emergency, Bishop Tutu noted that: "The troops are still in the townships . . . We have the insensitivity of the authorities displaying their military might when they know the presence of the troops in the townships is highly provocative."

The African National Congress has consistently called upon its supporters in the black community to "make the townships ungovernable". Because of the violence directed at blacks who are not ANC supporters, most of the black township or community councilors have resigned and council meetings cancelled. Former South African Council of Churches President, the Rev. Sam Buti, recently was forced to resign from the chairmanship of the Alexandra council.

The government's decision to impose the state of emergency has been attributed by some to the refusal of the Coloured and Indian chambers of the tricameral Parliament to pass two new security bills giving the government power to detain people for 6 months without charge, declare unrest areas without a formal declaration of the state of emergency, prevent legal action from being taken against security forces exercising powers under the unrest regulations, and declaring a total press censorship over events in the unrest areas. The President's Council, which is dominated by members of the ruling National Party, overrode the decision of the two chambers on June 20, thereby making the bills law. Despite this action, there is no indication that the government intends to lift the state of emergency.

Committee Action

The committee held four days of hearings on July 22, 23, 24 and 29 on the situation in South Africa. The committee met July 31 and August 1 to consider legislation. On August 1, by a vote of 15 to 2, the committee ordered reported favorably S. 2701, the Comprehensive Anti-Apartheid Act of 1986, with an amendment in the

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nature of a substitute incorporating amendments adopted by the committee. Voting in the affirmative were Senators Lugar, Mathias, Kassebaum, Boschwitz, Murkowski, Trible, Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton, and Kerry. Voting in the negative were Senators Helms and Pressler.

At the outset of the committee's July 31 meeting S. 2701, introduced by Senators Lugar, McConnell and Durenberger, was made the mark-up vehicle. The following action was taken by recorded vote during the committee's deliberations on this bill:

(1) An amendment by Senator Cranston to substitute the measure passed by the House of Representatives. This measure would require disinvestment within six months of enactment by U.S. firms and cut off trade except for the importation of strategic minerals certified by the President as necessary for military uses. It was originally introduced in the Senate as S. 2570 by Senators Cranston, Kennedy and Weicker. The amendment was defeated by a vote of 7 yeas to 10 nays. Voting in the affirmative were Senators Pell, Biden, Sarbanes, Cranston, Dodd, Eagleton and Kerry. Voting in the negative were Senators Lugar, Helms, Mathias, Kassebaum, Boschwitz, Pressler, Murkowski, Trible, Evans and Zorinsky.

(2) An amendment by Senator Cranston to substitute the provisions of Amendment No. 2236 proposed by Senators Kennedy, Weicker and Cranston to the debt ceiling bill pending before the Senate. This amendment would codify the President's September 1985 Executive order, which includes sanctions against the Government of South Africa and assistance for victims of apartheid, and impose additional sanctions which have been agreed upon or are being considered by the European Community and the British Commonwealth's Eminent Persons Group. Among these are a ban on military and intelligence cooperation, a ban on new investment and lending to the private sector, and a ban on the importation of various products including uranium, coal and steel. This amendment was defeated by a vote of 7 to 10. Voting in the affirmative were Senators Pell, Biden, Sarbanes, Cranston, Dodd, Eagleton and Kerry. Voting in the negative were Senators Lugar, Helms, Mathias, Kassebaum, Boschwitz, Pressler, Murkowski, Trible, Evans and Zorinsky.

(3) An amendment by Senator Helms, as modified by Senator Pressler, noting the steps taken by the South African Government to end apartheid. The amendment was defeated by a vote of 4 to 13. Voting in the affirmative were Senators Helms, Boschwitz, Pressler and Murkowski. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry.

(4) An amendment by Senator Pressler to strike section 309, which would authorize the President to sell U.S. gold stocks to affect the world market price of gold. The amendment was defeated by a vote of 4 to 13. Voting in the affirmative were Senator Helms, Boschwitz, Pressler and Murkowski. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Trible,

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Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry.

(5) An amendment by Senator Cranston to an amendment offered by Senators Mathias and Evans. Senator Cranston's amendment would have barred the importation of South African textiles. The amendment was defeated by a vote of 8 to 9. Voting in the affirmative were Senators Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry. Voting in the negative were Senators Lugar, Helms, Mathias, Kassebaum, Boschwitz, Pressler, Murkowski, Trible and Evans.

(6) An amendment by Senator Murkowski to the amendment proposed by Senators Mathias and Evans. Senator Murkowski's amendment would delete the requirement that the President submit a report to Congress in 180 days on violations of the international arms embargo against South Africa. The amendment would also remove the option of terminating U.S. military assistance to countries violating the international arms embargo against South Africa from the list of actions that the President could recommend in one year if the South African Government has not made substantial progress in dismantling apartheid. The amendment was defeated by a vote of 6 to 11. Voting in the affirmative were Senators Helms, Boschwitz, Pressler, Murkowski, Zorinsky and Cranston. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Pell, Biden, Sarbanes, Dodd, Eagleton and Kerry.

(7) An amendment by Senators Mathias and Evans adding policy language on the "frontline states" and meetings of U.S. officials with opposition leaders in South Africa, banning the importation of uranium and coal from South Africa, prohibiting new loans to the Government of South Africa and its entities and to the private sector with exceptions made for short-term trade credits and sales on open accounts, banning new investment, modifying the list of actions that the Government of South Africa must take for the sanctions in the Act to be terminated or modified or suspended by the President, mandating studies on the feasibility of prohibiting deposits or accounts by South African nations in U.S. banks and on violations of the international arms embargo, and changing the list of measures from which the President may choose in one year if he determines that substantial progress has not been made in dismantling apartheid. This amendment was accepted by a vote of 13 to 4. Voting in the affirmative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry. Voting in the negative were Senators Helms, Boschwitz, Pressler and Murkowski.

(8) At the request of Senator Pell, a reconsideration by unanimous consent of an amendment by Senator Murkowski to the amendment proposed by Senators Mathias and Evans. Senator Murkowski's amendment would delete the requirement that the President submit a report to Congress within 180 days of enactment on violations of the international embargo on arms sales to South Africa and remove the option of terminating U.S. military assistance to countries violating the embargo

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from the list of actions the President could recommend in one year if substantial progress toward ending apartheid has not been made. The amendment was accepted by a vote of 9 to 8. Voting in the affirmative were Senators Helms, Boschwitz, Pressler, Murkowski, Pell, Biden, Zorinsky, Cranston and Dodd. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Sarbanes, Eagleton and Kerry.

(9) An amendment by Senator Helms to the amendment proposed by Senators Mathias and Evans. Senator Helms' amendment would modify the third condition precedent to the termination of sanctions in section 311(a) by requiring the South African Government to unban democratic political parties. The language in the amendment proposed by Senators Mathias and Evans required that all political parties be unbanned. The amendment offered by Senator Helms was accepted by a vote of 12 to 4. Voting in the affirmative were Senators Lugar, Helms, Mathias, Kassebaum, Boschwitz, Pressler, Murkowski, Trible, Evans, Sarbanes, Zorinsky and Eagleton. Voting in the negative were Senators Pell, Biden, Dodd and Kerry.

(10) A motion by Senator Helms to table the amendment offered by Senator Dodd as a substitute for Senator Helms' amendment. Senator Helms' amendment required the President to certify that the Executive Committee of the African National Congress had agreed to take effective action against executions by fire, known as necklacing, before any measure in the bill took effect. Senator Dodd's amendment made it the sense of Congress that the African National Congress take action against necklacing. The motion to table defeated by a vote of 4 to 13. Voting in the affirmative were Senators Helms, Boschwitz, Pressler and Murkowski. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Pell, Biden, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry. (The Helms amendment, as modified by the Dodd amendment, was subsequently adopted by voice vote.)

(11) An amendment by Senator Kerry to require the President to submit a report to Congress within 179 days of enactment on violations of the international embargo on arms sales to South Africa. The amendment would also add the option of terminating U.S. military assistance to countries violating the embargo to the list of actions the President could take in one year, if substantial progress toward ending apartheid has not been made. The amendment was accepted by a vote of 10 to 7. Voting in the affirmative were Senators Lugar, Mathias, Kassebaum, Trible, Evans, Biden, Sarbanes, Dodd, Eagleton and Kerry. Voting in the negative were Senators Helms, Boschwitz, Pressler, Murkowski, Pell, Zorinsky and Cranston.

(12) An amendment by Senator Helms to prevent the President from suspending the landing rights of any foreign air carrier for the purpose of influencing the domestic policies of the government of the foreign air carrier during any period in which landing rights are granted to any foreign air carrier controlled by a government which has shot down a civilian aircraft carrying any member of the U.S. House of Representatives. The amendment was defeated by a vote of 3 to 14. Voting

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in the affirmative were Senators Helms, Pressler and Zorinsky. Voting in the negative were Senators Lugar, Mathias, Kassebaum, Boschwitz, Murkowski, Trible, Evans, Pell, Biden, Sarbanes, Cranston, Dodd, Eagleton and Kerry.

(13) An amendment by Senator Kassebaum to delete section 308. Section 308 would establish a separate category of visas for South African Government officials. The Secretary of State is permitted to deny visas to these individuals at his discretion. The amendment was defeated by a vote of 4 to 10. Voting in the affirmative were Senators Mathias, Kassebaum, Pressler and Evans. Voting in the negative were Senators Lugar, Boschwitz, Trible, Pell, Sarbanes, Zorinsky, Cranston, Dodd, Eagleton and Kerry.

(14) An amendment by Senator Murkowski to add a ban on imports of strategic minerals from South Africa to the list of steps the President could recommend in one year if substantial progress toward ending apartheid has not been made. The amendment was accepted by a vote of 10 to 4. Voting in the affirmative were Senators Kassebaum, Pressler, Murkowski, Evans, Pell, Biden, Sarbanes, Zorinsky, Dodd and Kerry. Voting in the negative were Senators Lugar, Boschwitz, Trible, and Cranston.

The following amendments were adopted by voice vote:

(1) An amendment by Senator Pressler to permit the President to use the African Emergency Reserve to meet food shortages in southern Africa.

(2) An amendment by Senator Helms, as amended by Senator Dodd, to express the sense of Congress that the African National Congress should condemn and take steps to prevent executions by fire.

(3) An amendment by Senator Boschwitz to encourage the President to work with U.S. allies to bring opposition political leaders together with leaders of the South African Government for negotiations leading to a nonracial democracy.

The following amendment was defeated on a voice vote:

(1) An amendment by Senator Helms modifying the first of the five conditions precedent to a termination of sanctions in section 311(a) to permit a refusal by Nelson Mandela to repudiate the philosophy contained in a document introduced at his trial to satisfy the first of the five conditions.

Section-by-Section Analysis

Sec. 1—Short Title

The Act may be cited as the "Comprehensive Anti-Apartheid Act of 1986."

Sec. 2—Table of Contents

The Act is divided into six titles. The titles, with the sections each contains, are listed herein.

Sec. 3—Definitions

This section defines the key terms used throughout the Act. They are:

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(1) Code of Conduct.—The Code of Conduct consists of seven principles of fair employment practices. These principles are set out in section 208(a). They are modeled on the Sullivan Principles.

(2) Controlled South African Entity.—A controlled South African entity is any business operation in South Africa which is owned or controlled directly or indirectly by U.S. nationals. Part A covers corporations, partnerships and other business associations actually organized under South African law. The most common example of a business association that would be included under this part is a South African subsidiary of an American corporation. Part B extends the definition to a branch office or other part of an American business operating in South Africa but which is without a separate legal identity under South African law.

(3) Loan.—The term loan is defined to include any transfer or extension of funds or credit on the basis of an obligation to repay. The definition is modeled on the definition used by Office of Foreign Assets Control of the Department of the Treasury. Three exceptions are made to the definition for: (1) short-term trade financing; (2) sales on open account; and (3) rescheduling of existing loans. The exception for rescheduling is further qualified by providing that no new funds may be extended in connection with the rescheduling.

(4) New Investment.—The term new investment is strictly defined. It encompasses all commitments or contributions of funds or loans or extensions of credit. To this definition three exceptions are made.

The first permits American businesses operating in South Africa to reinvest profits earned *in South Africa.* The second allows an extension of funds or assets in the event of a flood, fire or other occurrence which would force the operation to shut down or operate at an uneconomical level. Under no circumstances, however, does this exception permit investment designed to expand existing operations or increase profitability.

The last exception permits U.S. nationals to buy securities and other financial instruments if the acquisition does not result in an infusion of new funds into South African corporations or the Government of South Africa. For example, a U.S. investor could trade outstanding shares of a South African company or debt securities issued by the South African government. However, U.S. investors are barred from purchasing new issues of either a South African corporation or the South African Government.

The term "new investment" does not include normal business expenses incurred by U.S. companies in order to comply with the Code of Conduct in accordance with section 207.

(5) National of the United States.—This term, used interchangeably with United States national throughout the Act, covers all natural persons wherever located and businesses organized in the United States.

(6) South Africa.—Throughout the Act "South Africa" means the territory of the Republic of South Africa, including the so-called "homelands," as it was constituted on May 31, 1961.

(7) South African Entity.—A "South African entity" is any business association organized under the laws of South Africa or any so-called "homeland." It also includes a branch office or other por-

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tion of a business that operates in South Africa where the business is organized under the laws of another country.

(8) United States.—This term includes all 50 States, the District of Columbia, Puerto Rico and territories and possessions of the United States.

Sec. 4—Purpose

The Act is designed to set out a comprehensive framework to guide U.S. efforts in helping to end apartheid and establish a nonracial, democratic form of government in South Africa.

TITLE I—POLICY OF THE UNITED STATES WITH RESPECT TO ENDING APARTHEID

Sec. 101—Policy Toward the Government of South Africa

U.S. policy is designed to bring reforms leading to the establishment of a nonracial democracy. This is to be furthered by encouraging the Government of South Africa to take a number of specific steps including suspending the state of emergency and returning to equal justice under law, releasing trade union leaders and all political prisoners including Nelson Mandela, permitting political freedom for South Africans of all races, establishing a timetable for the elimination of apartheid laws, negotiating the future political system with representatives of all social groups, and ending military and paramilitary activities aimed at neighboring states. Future U.S. policy will be based on whether or not the South African Government takes these steps.

Sec. 102—Policy Toward the Victims of Apartheid

U.S. policy is to bring about the removal of the system of apartheid. In anticipation of its ultimate demise, U.S. policy is to assist the victims of apartheid in helping them to prepare themselves to take their rightful place in a post-apartheid society in South Africa. The United States will provide assistance to the victims of apartheid to help them challenge the system. Assistance will also be provided for humanitarian purposes.

Sec. 103—Policy Toward Other Countries in Southern Africa

U.S. policy is aimed at encouraging democracy, respect for human rights, economic development and political independence. The United States will work toward this goal by helping to secure independence for Namibia in accordance with U.N. Resolution 435, supporting the removal of all foreign troops from the region, and through other steps, including the provision of U.S. economic assistance in accord with U.S. resources.

Sec. 104—Policy Toward "Frontline" States

Congress calls upon the President to discuss with the "frontline States" the impact on their economies of a disruption in transportation or other commercial links to South Africa. The President is also called upon to discuss methods of reducing the effects of any such disruption.

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Sec. 105—Policy Toward a Negotiated Settlement

U.S. policy is to encourage a negotiated settlement. To this end, U.S. officials should meet with opposition leaders in South Africa, political parties should be unbanned and political expression permitted. All parties should agree to suspend violence. The United States will work with its allies to develop a plan for multilateral assistance to South Africa if the government will end apartheid and negotiate with all parties.

Sec. 106—Policy Toward International Cooperation on Measures to End Apartheid

Congress recognizes that international cooperation is crucial to developing effective measures to help end apartheid. The President is therefore urged to seek such cooperation.

Sec. 107—Policy Toward Necklacing

Congress calls upon the African National Congress to condemn and take action against executions by fire, commonly known as "necklacing," which is the placing of a tire filled with gasoline around the victim's neck.

TITLE II—MEASURES TO ASSIST VICTIMS OF APARTHEID

Sec. 201—Scholarships for Black South Africans

Funds are earmarked out of the Education and Human Resources account of the Foreign Assistance Act to finance education, training and scholarships for black South Africans attending schools in South Africa. One third of the earmarked funds are set aside for black teachers. One half of the funds provided must go for programs whose sponsors support an end to apartheid. The remainder is to be used for scholarships awarded by panels of educators. Eight million dollars is earmarked for fiscal year 1987, $11 million for fiscal year 1988, and $15 million for each succeeding fiscal year.

Sec. 202—Human Rights Fund

Of the $3 million provided in fiscal year 1986 and each fiscal year thereafter in the Human Rights account of the Foreign Assistance Act for programs which encourage adherence to civil and political rights, $1.5 million is to be used for grants to nongovernmental organizations in South Africa which promote human rights and an end to apartheid. Of this $1.5 million, $350,000 is to be used for direct legal assistance and other activities which will help political detainees, political prisoners and their families.

Sec. 203—Expanding Participation in the South African Economy

To the maximum extent practicable, in procuring goods and services, all U.S. Government agencies are to make affirmative efforts to assist businesses majority-owned by blacks or other nonwhite South Africans.

Sec. 204—Export-Import Bank of the United States

The Ex-Im Bank is required to take active steps to encourage the use of its facilities by black or other nonwhite-owned businesses in

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South Africa. This provision does not affect Section 2(b)(9) of the Export-Import Bank Act of 1945, as amended, which places restrictions on the Bank's activities vis-a-vis South Africa including a prohibition on guaranteeing, insuring, or extending credit or participating in the extension of credit in support of any export which would help the Government of South Africa to maintain or enforce apartheid.

Sec. 205—Labor Practices of the United States Government in South Africa

All U.S. Government agencies employing South Africans are required to follow a Code of Conduct based on the Sullivan Principles. The Code is set out in section 208.

Sec. 206—Welfare and Protection of Black South Africans Employed by the United States

The Secretary of State is directed to lease or purchase housing and make it available at reasonable rents to black South African employees of the U.S. Government. In those instances where South African law poses an obstacle to compliance with this section, the Secretary of State shall vigorously pursue efforts to have the law repealed or modified. The housing must be in areas open to occupancy by other employees of the U.S. Government. Ten million dollars is authorized for fiscal year 1987 for this program.

Sec. 207—Employment Practices of United States Nationals in South Africa

All U.S. companies employing 25 or more persons in South Africa must take steps to insure that the Code of Conduct is implemented. U.S. assistance in export marketing is denied to any company not implementing the Code.

Sec. 208—Code of Conduct

This section lists seven principles—racial desegregation, equal employment opportunities, equal pay, fair minimum wage and salary structure, affirmative action in promotion, concern for employees' life outside work, and recognition of the right to join labor unions—that are the basis for the Sullivan Principles. These are the principles U.S. companies (sec. 207) and the U.S. Government (sec. 205) must follow. U.S. companies are also called upon to work for the equal treatment of blacks by all employers and to support an end to apartheid. Subsection (c) gives the President the power to issue advisory opinions to U.S. firms as to whether they are required to adhere to the Code of Conduct. Those who are can be required to register with the U.S. Government. The President may contract with private groups to assist him in determining whether companies are in compliance with the Code of Conduct.

Sec. 209—Prohibition on Assistance

No assistance under this Act may be provided to any group which maintains within its ranks an individual who has engaged in gross violations of human rights.

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Sec. 210—Use of the African Emergency Reserve

The President is explicitly authorized by this section to use the African Emergency Reserve to meet any food shortage in southern Africa.

TITLE III—MEASURES BY THE UNITED STATES TO UNDERMINE APARTHEID

Sec. 301—Prohibition on the Importation of Krugerrands

Imports into the United States of any South African gold coin, including the Krugerrand, are banned.

Sec. 302—Prohibition on the Importation of Military Equipment

Imports into the United States of arms, ammunition, military vehicles and the manufacturing data for these items from South Africa are banned.

Sec. 303—Prohibition on the Importation of Products from Parastatal Organizations

No article produced or manufactured by a corporation owned or controlled by the South African Government can be imported into the United States from South Africa, either directly or as a result of transshipment via third countries. An exception is provided for strategic minerals for which substitutes or secure domestic supplies are unavailable.

Sec. 304—Prohibition on Computer Exports to South Africa

Computers, computer software and goods and technology which service computers may not be exported to the South African military, police, prison system, national security agencies, ARMSCOR, Council for Scientific and Industrial Research, apartheid administering or enforcing agencies, or any entity of a homelands government performing the same functions as the proscribed organizations. Computers may be exported to other South African Government entities if a system of end use verification is in effect to insure that computers are not diverted to an entity barred from receiving a computer directly.

Sec. 305—Prohibition on Loans to the Government of South Africa

U.S. nationals may not loan, or extend credit to, the Government of South Africa or to an entity under its ownership or control. As defined in section 3(3), the term "loan" does not include normal short-term trade financing, sales on open accounts, and rescheduling of existing loans if no new funds or credits are extended. An exception to the ban on loans and credit extension is provided for educational, housing, and humanitarian purposes.

Loans to the private sector are prohibited under section 312, which prohibits new investments in South Africa.

Sec. 306—Prohibition on Air Transportation with South Africa

The Secretary of State is to terminate the bilateral air services agreement now in effect with South Africa. Article XI of that agreement provides for a one year notice of termination; breach of

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the agreement is subject to international arbitration. Once the agreement is terminated, the Secretary of Transportation is to ban air transportation with the United States by air carriers owned by the Government of South Africa or South African nationals. The effect of terminating this agreement will also be to bar U.S. air carriers from providing air transportation to South Africa. An exception for emergency landings is permitted.

Sec. 307—Prohibitions on Nuclear Trade with South Africa

Exports of material, component parts, items, substances or technical data to be used in connection with any nuclear power plant or other nuclear facility are banned. This ban is lifted if the President certifies that South Africa has become a party to the Non-Proliferation Treaty or is maintaining International Atomic Energy Agency safeguards on all nuclear activities. Nuclear materials subject to general licenses by the Nuclear Regulatory Commission or the Department of Commerce are exempt from the ban. This covers items such as pacemakers, which contain small amounts of plutonium, and other health and safety-related items.

Sec. 308—Restrictions in Issuance of Visas to South African Nationals

The President is authorized to establish a separate visa category for South African officials and anyone performing services for the South African Government. Visas for these individuals may be denied at the discretion of the Secretary of State. This is designed to allow the Secretary to retaliate when American journalists, clerics and others are denied South African visas. It will also permit the Secretary to exclude South African officials he believes may be trying to gather information to circumvent the arms embargo. Subsection (b)(3) provides for an orderly re-evaluation of existing visas issued to South African Government officials. It does not preclude revalidation, in the Secretary's discretion, of existing visas.

Sec. 309—Sales of Gold Stocks

Under present law the Secretary of the Treasury may, with the approval of the President, "buy and sell gold in the way, in amounts, at rates, and on conditions the Secretary considers most advantageous to the public interest. . . ." 31 U.S.C. S5116. This section expressly authorizes the sale of gold to further the purposes of this Act.

Sec. 310—Government of South Africa Bank Accounts

U.S. banks may not hold a deposit account from the South African Government or its entities except where autorized by the President for diplomatic and consular purposes. This provision shall not take effect until 45 days after enactment.

Sec. 311—Prohibition on Importation of Uranium and Coal

Imports of South African uranium ore, uranium oxide and coal are banned. The ban takes effect 90 days after enactment to permit goods already purchased and in transit to be imported. After this date, however, no South African uranium ore, uranium oxide or coal can be imported into the United States.

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Sec. 312—Prohibition on New Investment in South Africa

No United States national may make any new investment, either directly or by passing it through another person, in South Africa. As defined in Section 3(4), the term "new investment" includes a loan or other extension of credit but does not include the reinvestment of profits generated in South Africa, contributions of money or other assets needed to operate in an economically sound manner without expanding operations, or the ownership or control of a share or interest in a South African entity or a controlled South African entity or a debt or equity security issued by the Government of South Africa or a South African entity before the date of enactment of this Act, or the transfer or acquisition of such a share, interest, or debt or equity security, if any such transfer or acquisition does not result in a payment, contribution of funds or assets, or credit to a South African entity, or the Government of South Africa. This ban takes effect 30 days after enactment in order to allow transactions in progress to be completed and to give the President time to issue regulations under this section.

Sec. 313—Termination of Certain Provisions

Subsection (a) provides that all sanctions imposed by the bill upon its enactment (those in Title III) as well as all sanctions imposed in the future (under Title V) are to be terminated if: (1) other political prisoners and Nelson Mandela are released; (2) the state of emergency is repealed and all detainees held under that state of emergency are released; (3) democratic political parties are unbanned; (4) the Group Areas and Population Registration Acts are repealed; and (5) the South African Government publicly commits itself to good faith negotiations with truly representative members of the black majority without preconditions. With respect to the release of Nelson Mandela, a genuine offer of release considered acceptable by the Congress, even if refused, satisfies this part of the first condition. The determination of whether all democratic political parties have been unbanned is to be made by the President.

Under subsection (b) the President has the power to suspend or modify any of the sanctions imposed by this Act if Nelson Mandela and other political prisoners are released and any three of the four remaining conditions listed above are met. This power to modify is subject to a 30 day waiting period during which Congress may pass a joint resolution of disapproval. Such a joint resolution would enjoy expedited treatment in both Houses.

TITLE IV—MULTILATERAL MEASURES TO UNDERMINE APARTHEID

Sec. 401—Negotiating Authority

The President is given authority to negotiate international agreements incorporating sanctions against South Africa. He may modify U.S. sanctions to conform with the agreement. However, the agreement is subject to Congressional disapproval. In no event can the net economic effect of any agreement, together with any modification of a U.S. sanction, be less than the net economic effect of U.S. sanctions standing by themselves.

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Sec. 402—Unfair Trade Practices

This section makes taking commercial advantage of U.S. sanctions actionable under Section 301 of the Trade Act of 1974. If the President finds that some act, policy or practice of a foreign government constitutes an unfair trade practice, he may retaliate against the products or services of that country to the extent of that practice. For example, upon enactment of this Act it shall be unlawful for American computer companies to sell computers to the South African Police. If it is the policy of another country to allow its firms to take commercial advantage of this prohibition on U.S. firms, then that country runs the risk of possible retaliation against its firms by the United States.

Sec. 403—Private Right of Action

U.S. firms may bring a private action for damages against any firm that takes commercial advantage of any sanction imposed by this Act. For example, if a U.S. company had been selling computers to an agency of the South African Government and was prohibited by this Act from continuing to sell computers, it could bring an action for lost profits against any foreign firm which deliberately intended to injure the U.S. company by replacing it. The U.S. company is entitled to costs and attorney's fees if it prevails.

TITLE V—FUTURE POLICY TOWARD SOUTH AFRICA

Sec. 501—Additional Measures

One year from the date of enactment and every 12 months thereafter, the President must report to the Congress on the progress made by the Government of South Africa in ending apartheid and establishing a nonracial democracy. If significant progress has not been made he is to recommend one or more of the following sanctions: a ban on the importation of steel; a ban on the importation of food, agricultural products, textiles, and diamonds from South Africa; a ban on the importation of strategic minerals; a prohibition on U.S. banks from holding deposits or accounts of South Africa nationals; and a prohibition on U.S. military assistance to those countries violating the international arms embargo against South Africa. Expedited procedures are provided for Congressional consideration of these sanctions.

Sec. 502—Study of Health Conditions in the "Homelands" Areas of South Africa

The Secretary of State is to study and report by December 1, 1986, to Congress on the state of health conditions in the "homelands" areas and whether, and to what extent, there is malnutrition or starvation occurring in these areas.

Sec. 503—Report on South African Imports

The President is to report within 180 days of enactment on the extent to which the United States is dependent on South Africa for chromium, cobalt, manganese, platinum, ferroalloys and other strategic and critical materials. The President is to prepare a plan to

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reduce U.S. dependency on imports of these minerals from South Africa.

Sec. 504—Study and Report on the Economy of Southern Africa

The President is to report within 180 days of enactment to Congress on the role of U.S. assistance in southern Africa and on what steps can be taken to expand the trade, private investment and transport network of landlocked countries in southern Africa.

Sec. 505—Report on Relations Between Other Industrialized Democracies and South Africa

Within 180 days of enactment the President must report to Congress on the economic and political relationships between South Africa and the other industrialized democracies.

Sec. 506—Study and Report on Deposit Accounts in United States Banks Held by South African Nationals

The Secretary of State is to study the feasibility of prohibiting South African nationals from having accounts with U.S. banks. A report on the study by the Secretary must be sent to Congress within 180 days of enactment.

Sec. 507—Study and Report on the Violation of the International Embargo on Sale and Exports of Military Articles to South Africa

Within 179 days of enactment the President must submit a report to Congress on compliance with the international arms embargo on South Africa imposed by United Nations Security Council Resolution 418. The report is to identify those countries which have violated the embargo.

TITLE VI—ENFORCEMENT AND ADMINISTATIVE PROVISIONS

Sec. 601—Regulatory Authority

The President is authorized to issue the necessary rules, regulations, licenses, and orders to carry out this Act. Where appropriate regulations, license or orders are already in place as a result of earlier legislation or executive order, the President is to take the steps necessary to continue such regulations, licenses and orders.

Sec. 602—Congressional Priority Procedures

This section provides expedited procedures for the various Congressional resolutions of approval and disapproval provided for by this Act.

Sec. 603—Enforcement and Penalties

The President is given the power to require reports, conduct investigations and take other actions necessary to insure compliance with this Act. Corporations violating the Act are subject to fines of up to $1 million for each violation. Individuals violating it can be fined up to $50,000 or imprisoned for not more than five years or both. U.S. businesses in South Africa which refuse to report on their progress in complying with the Sullivan Principles are subject to a $10,000 fine.

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Sec. 604—Applicability to Evasions of Act

This section makes the Act applicable to intentional efforts to evade it.

Sec. 605—Construction of Act

Nothing in this Act shall be taken to mean that the United States recognizes the "homelands" referred to in this Act.

COST ESTIMATE

In accordance with Rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the committee provides the following estimates of the cost of S. 2701, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 4, 1986.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate on S. 2701, the Comprehensive Anti-Apartheid Act of 1986, as ordered reported by the Senate Committee on Foreign Relations on August 1, 1986.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Wish best wishes,

Sincerely,

RUDOLPH G. PENNER.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: S. 2701.
2. Bill title: Comprehensive Anti-Apartheid Act of 1986.
3. Bill status: As ordered reported by the Senate Committee on Foreign Relations on August 1, 1986.
4. Bill purpose: The bill imposes new sanctions against South Africa, including restrictions on importation of products manufactured or grown by the South African Government, new investment in South Africa, and issue of visas. The bill also authorizes the appropriation of $10 million for the acquisition of rental properties in South Africa.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1987	1988	1989	1990	1991
Authorized Level (150)	10				
Estimated Outlays (150)	5	3	2	1	
Estimated Revenue Effect	−5	−5	−5	−5	−5
Net Deficit Effect	10	8	7	6	5

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Costs for this bill fall within budget function 150.

Basis for Estimate.—This estimate assumes enactment of this legislation by October 1, 1986 and subsequent appropriation of the authorized amounts. Outlays for the acquisition of rental properties were estimated using historical outlay rates for acquisition and maintenance of buildings abroad.

Section 303 restricts imports from organizations owned or controlled by the Government of South Africa and section 311 bans the importation of uranium and coal. The estimate of lower customs duties collections due to these restrictions was based on information obtained from the International Trade Commission. This loss in revenue could be negated if imports from other countries are substituted for banned products from South Africa.

The macroeconomic effects on the United States of the importation bans would be negligible. Some economic losses might occur if South Africa retaliates and bans the purchase of some products from the United States, or bans the sale of strategic metals that are difficult to find elsewhere. These specific losses, however, cannot be estimated.

6. Financing mechanism: This legislation authorizes funding to be provided in subsequent appropriation acts. Such funding is discretionary and may be lower than the authorized amount.

7. Estimated cost to State and local governments: None.

8. Estimate comparison: None.

9. Previous CBO cost estimate: None.

10. Estimate prepared by: Lisa R. Brown and Neil Fisher.

11. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

Evaluation of Regulatory Impact

In accordance with Rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the committee has considered the regulatory impact of carrying out the provisions of S. 2701. Several parts of S. 2701 are now in effect as a result of the President's Executive orders of last fall. Accordingly, codification of these provisions will result in no additional regulatory burden. Those additional provisions of S. 2701 that would entail further regulation are the ban on new investment, including loans, in South Africa, and the ban on impact of carrying out the provisions of S. 2701. Several parts of S. 2701 are now in effect as a result of the President's Executive ment under the regulations issued to implement the President's Executive order. Thus, while some additional regulatory burden will result from enactment of this legislation, the committee concludes it will not be substantial.

Changes in Existing Law

In compliance with paragraph 12 of Rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

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The Foreign Assistance Act of 1961, as Amended

* * * * * * *

PART I

Chapter 1—Policy; Development Assistance Authorizations

* * * * * * *

Sec. 105. Education and Human Resources Development.—

(a) * * *

(b)*(1)* Assistance provided under this section shall be used primarily to expand and strengthen nonformal education methods, especially those designed to improve productive skills of rural families and the urban poor and to provide them with useful information; to increase the relevance of formal education systems to the needs of the poor, especially at the primary level, through reform of curricula, teaching materials, and teaching methods, and improved teacher training; and to strengthen the management capabilities of institutions which enable the poor to participate in development. Assistance under this section shall also be provided for advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

(c) * * *

(2)(A) Of the assistance provided under this section by the Administrator of the agency primarily responsible for administering this part of this Act—

(i) for the fiscal year 1987, $8,000,000;

(ii) for the fiscal year 1988, $11,000,000; and

(iii) for the fiscal year 1989 and each fiscal year thereafter, $15,000,000,

shall be used to finance education, training, and scholarships for the victims of apartheid who are attending universities, colleges, and secondary schools in South Africa and who are selected in accordance with subparagraph (B). Of the funds available under the preceding sentence to carry out this subparagraph, not less than one-third shall be available only for assistance to full-time teachers or other educational professionals pursuing studies toward the improvement of their professional credentials.

(B) Of the funds provided in subparagraph (A) for each fiscal year, 50 percent shall be available for educational assistance for the victims of apartheid in accordance with section 802(c) of the International Security and Development Cooperation Act of 1985. The remainder of the funds in each fiscal year which are not made available under the preceding sentence shall be available to finance scholarships for individuals selected by a nationwide panel or by regional panels composed solely of members of the teaching profession appointed by the United States chief of diplomatic mission to South Africa. No such individual may be selected through any contract entered into with the agency primarily responsible for administering this part of this Act.

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Sec. 116. Human Rights.—(a) * * *

* * * * * * *

(2)(A) Of the amounts made available to carry out this subsection, $500,000 for the fiscal year 1984 and *1984*, $1,000,000 for the fiscal year 1985, *and $1,500,000 for the fiscal year 1986 and for each fiscal year thereafter* shall be used for grants to nongovernmental organizations in South Africa promoting political, economic, social, juridical, and humanitarian efforts to foster a just society and to help victims of apartheid.

* * * * * * *

(f) Of the funds made available to carry out subsection (e)(2)(A) for each fiscal year, $350,000 shall be used for direct legal and other assistance to political detainees and prisoners and their families, including the investigation of the killing of protesters and prisoners, and for support for actions of black-led community organizations to resist, through nonviolent means, the enforcement of apartheid policies such as—

(1) removal of black populations from certain geographic areas on account of race or ethnic origin,

(2) denationalization of blacks, including any distinctions between the South African citizenships of blacks and whites,

(3) residence restrictions based on race or ethnic origin,

(4) restrictions on the rights of blacks to seek employment in South Africa and live wherever they find employment in South Africa, and

(5) restrictions which make it impossible for black employees and their families to be housed in family accommodations near their place of employment.

* * * * * * *

Export-Import Bank Act of 1945, as Amended

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Sec. 2. (a)(1) * * *

* * * * * * *

[9 In**]** *(9)(A) Except as provided in subparagraph (B), in* no event shall the Bank guarantee, insure, or extend credit or participate in the extension of credit (a) in support of any export which would contribute to enabling the Government of the Republic of South Africa to maintain or enforce apartheid; (b) in support of any export to the Government of the Republic of South Africa or its agencies unless the President determines that significant progress toward the eliminaiton of apartheid has been made and transmits to the Congress a statement describing and explaining that determination; or (c) in support of any export to other purchases in the Republic of South Africa unless the United States Secretary of State certifies that the purchaser has endorsed and has proceeded toward the implementation of the following principles: nonsegregation of the races in all work facilities; equal and fair employment for all employees; equal pay for equal work for all employees; initiation and development of training programs to prepare nonwhite South Africans for supervisory, administrative, clercial, and techni-

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cal jobs; increasing the number of nonwhites in management and supervisory positions; a willingness to engage in collective bargaining with labor unions; and improving the quality of life for employees in such areas as housing, transportation schooling, recreation, and health facilities.

(B) The Bank shall take active steps to encourage the use of its facilities to guarantee, insure, extend credit, or participate in the extension of credit to business enterprises in South Africa that are majority owned by South African blacks or other nonwhite South Africans. The certification requirement contained in clause (c) of subparagraph (A) shall not apply to exports to or purchases from business enterprises which are majority owned by South African blacks or other nonwhite South Africans.

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ADDITIONAL VIEWS OF SENATOR JESSE HELMS

I. A Question of Intent

> The power is in our hand—we have people's power. . . . With our necklaces we shall liberate this country.—Winnie Mandela, Washington Post, April 14, 1986.

In American jurisprudence, the term "intent" is not interpreted to mean the psychological or cognitive state of the accused at the time before the act was performed. Rather, it refers to the formal circumstances of the action, and the consequences which might reasonably have been forseen. If a foreseeable result flows naturally from certain actions, a court usually presumes that such a result was intended.

With this precise definition of "intent" in mind, it is no exaggeration to say that the intent of S. 2701, as reported by the Foreign Relations Committee, is to recognize the Communist movement of South Africa as the legitimate, nay, preferrred successor to the present Government of South Africa.

This is not to say that any Member of the Foreign Relations Committee who voted to report S. 2701 consciously desired to give preference to a Communist government in South Africa. But what it does mean is that the bill itself gives preference in almost every respect only to those opponents of the government and those groups that are deeply committed to the Communist Party of South Africa, an organization funded and controlled by the Soviet Union. The non-Communist leaders of the blacks and non-whites are treated as though they do not exist.

Thus the preference is given by name to those groups and personalities which have adopted terrorism against innocent men, women, and children as their preferred method of liberation, and communism as the vision of "democracy" which they intend to install. Although the bill, as an empty ritual, makes a few passing references to "the establishment of a non-racial, democratic form of government," the key beneficiaries under the bill are precisely those who define democracy in Marxist-Leninist terms.

Nowhere does the bill exclude totalitarian groups, or groups which support terrorism. It is one thing to state a preference on behalf of an organized rebellion, or an insurrectionary group. Under international law such groups are defined as those which carry on military activities against the security forces of the ruling power. Support for such groups is usually given on a case-by-case basis, and is limited in international law to urging negotiations between the group and the rebels, or granting asylum to rebels who flee to another country.

But when rebels or insurrectionists attack the civilian population, and commit atrocities in order to disrupt civil order, they

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become outlaws. They go beyond the limits of the moral order, and they forfeit any sympathy or understanding. Indeed, the international community has an obligation to join together to uproot and destroy any movements which adopt such methods, no matter how lofty the stated goals.

The fundamental flaw of S. 2701 is that its whole purpose is to force the South African Government to legitimize and negotiate a transfer of power to the Communist and terrorist movements which espouse these methods. No legislation which is not balanced, just, and constructive can hope to avert the impending disaster in South Africa. This bill fails on all three counts.

II. The Language of Section 101

> Life in the townships is no longer like it was before. . . . Here collaborators and informers live in fear of petrol, either as petrol bombs being hurled at their homes and reducing them to rack and ruin, or as petrol dousing their treacherous bodies which are set alight and burned to a charred and despicable mess. Lucrative it still is to sell out, but it carries the immediate hazard of having one's flesh and bones being reduced to unidentifiable ashes.—Cassius Mandela, in the official ANC publication, Sechaba, published in East Germany.

In Section 101, the bill calls for the Government of South Africa to "release Nelson Mandela, Govan Mbeki, Walter Sisulu, black trade union leaders, and all political prisoners."

NELSON MANDELA

Nelson Mandela was convicted in 1964 of (1) conspiracy to commit acts of violence (bombings, etc.), and (2) seeking to overthrow violently the South African Government.

Mandela pleaded guilty to the charges in the Transvaal Supreme Court, stating as his defense the illegitimacy of the South African Government. He refused to appeal the decision because he had already pleaded guilty as charged, and he was proud of being guilty. He was sentenced to life imprisonment.

Because he pleaded guilty, Mandela is not considered "a prisoner of conscience" by human rights groups such as Amnesty International.

Nine others sentenced at the same time were released about 6 months ago when they renounced the use of violence. Mandela has steadfastly refused to renounce the use of violence.

When Mandela was arrested, he had in his hand a 23-page document written in his own handwriting, entitled "How to be a good Communist." Mandela admitted that he wrote the document, which includes the following passage:

> In our country, the struggles of the oppressed people are guided by the South African Communist Party and inspired by its policies. The aim of the SACP is to defeat the Nationalist Government and to free the people of South Africa from the evils of racial discrimination and exploita-

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tion and to build a classless or Socialist society in which the mills and factories will be owned by the State.

Under a Communist Party Government, South Africa will become a land of milk and honey.

The complete text of Mandela's essay is included as an appendix to these views.

GOVAN MBEKI

Govan Mbeki, is also in prison as a result of the same conspiracy in which Mandela was involved. According to the CIA, Govan Mbeki is a "South African Communist Party Leader." He is the father of Thabo Mbeki, whom the CIA calls "one of the most visible officials in the ANC.

WALTER SISULU

Walter Sisulu is another member of the conspiracy to overthrow the South African government, and a leader of the ANC. Like the others, he has been offered his freedom if he renounces the use of violence, but he refuses to accept on these terms.

Section 101 also calls upon South Africa to "permit the free exercise by South Africans of all races of the right to form political parties, express political opinions, and otherwise participate in the political process." What would be unexceptional in the context of U.S. politics becomes very dangerous in the South African context, for this policy statement does not exclude totalitarian and Communist parties. Whereas in the United States, the Communist Party of the United States is only a token representative of subversive forces, in South Africa, the Communists are committed to the violent overthrow of law and order—in other words they are dedicated to the goal of making democratic transition impossible. When you have so-called "political parties" that express themselves by burning old women, young children, and innocent bystanders, the structure of law has to exclude their legitimacy. By mandating that all parties be included, without exception, S. 2701 is fatally flawed.

Section 102 provides that so-called "victims of apartheid" will be provided assistance "without discrimination by race, color, sex, religious belief, or political orientation." The inclusion of the phrase "political orientation" means that the U.S. taxpayers will be financing the education of terrorists and Communists.

It is especially significant that the bill fails to set up a framework which would specifically include well-known black leaders such as Bishop Isaac P.B. Mokoena, the presiding leader of 4.5 million black Christians, or KwaZulu Chief Minister Butelezi, leader of 7 million Zulus. The bill's constant reference to "political" leaders and "political" parties do not fit the categories of leadership in Africa, where "politics" is a superficial and meaningless concept in the tribal and religious environment. This bias against the traditional, deeply rooted structures of society can only result in revolutionary chaos and injustice.

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III. Communist Control of the ANC

> The ANC invariable stresses that the socialist countries and all democratic, progressive forces which help the oppressed masses of South Africa in their struggle against imperialist pressure from abroad, are friends that we can rely on. This struggle is part of the overall anti-imperialist struggle. . . . The African National Congress is very active in the worldwide peace movement and in other movements which mobilize the forces of peace in different countries to rebuff imperialist forces.—Alfred Nzo, Secretary General of the ANC, in World Marxist Review.

Section 105 states that "U.S. policy will seek to promote negotiations among representatives of all citizens of South Africa to determine a future political system that would permit all citizens to be full participants in the governance of their country." Thus U.S. policy is guided directly to a policy of negotiating with the totalitarian groups.

There is no mention whatsoever of non-totalitarian groups, but there is a specific reference to those groups which have been banned for terrorism and control by the Soviet Union: "The United States recognizes that important and legitimate political parties in South Africa include several organizations that have been banned and will work for the unbanning of such organizations in order to permit legitimate political viewpoints to be represented at such negotiations." There are only four organizations banned in South Africa: The African National Congress, the Pan Africanist Movement, the Black Consciousness Movement [a racist organization which seeks to exclude all whites from South Africa], and the Communist Party of South Africa.

These organizations are referred to in Sec. 104(d)(2) as "the African National Congress, the Pan African [sic] Congress, the Black Consciousness Movement, and all other groups willing to participate in negotiations and a democratic process." It is noteworthy that only one group is omitted from specific mention in the bill, namely, the South African Communist Party, which apparently is considered among the "other groups willing to participate." The Pan Africanist Congress is a Communist group which followed Maoism after the Soviet-Sino split. Thus the bill expends considerable capital upon pressuring for the unbanning of the entire Communist movement in South Africa. As for the African National Congress, there are some who wrongly consider it to be a democratic movement.

Recently I asked William Casey, Director of the Central Intelligence Agency, to declassify the biographies of the Communist members of the Executive Committee of the African National Congress. Mr. Casey complied, and the biographies are included as Appendix II to this statement. It should be noted that the Communists do not need a majority to dominate an organization, as has been proven all over the world. But in this case, it is clear that the Communists do have a majority. Indeed, other analysts offer even more complete results than the CIA.

It is perhaps inevitable that groups seeking the destruction of the Western society, and seeking to bring about its downfall, would

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use the resentment and perceived injustice of the less-developed society as instruments of psychological manipulation to destroy the progress that has been made, and to prevent the evolution of a unified society in which Western ideas of culture and economy predominate. But is it inevitable that the West would side with the groups seeking to install a minority government. By a minority government, I mean a Communist government, because that is what a Communist government is: a minority government.

The chief instrument of the Communist movement today in South Africa is the African National Congress. I don't mean that the ANC is led by some idealistic, but fuzzy minded people who are the innocent dupes of the world Communist movement. I mean that the executive committee of the ANC is actually composed of Communists, a majority of them being actual members of the Communist Party of South Africa. Yet we are being faced with a vast propaganda campaign from the media, the Marxists, and the State Department to convince America that the ANC is the legitimate heir to rule in South Africa.

Every time that I hear praise for the African National Congress in South Africa as a positive factor and a force to be negotiated with, I wonder why there has been almost no effort to inform the American people as to the real history and aims of the African National Congress.

It is time that the true nature of the African National Congress in South Africa be understood. It is a Communist front controlled by the South African Communist Party, which itself is under the control of the Communist Party of the Soviet Union.

The real question before South Africans, whether black, white, Indian, Cape Coloured, and other minorities, is whether they will have a Communist future or a free future. It is not for the United States nor for the Europeans nor for the Soviet Bloc nor anyone else to try to impose solutions upon the people of South Africa. It is for the South Africans to decide how they will fashion Constitutional and political solutions for their unique situation in order to promote peace, prosperity, and justice for all citizens.

The fact is that the ANC has been transformed from its original role as established in 1912 as a nationalist, but non-Communist, organization for blacks in South Africa into a front organization for the South African Communist Party. It is widely recognized that the South African Communist Party is a Soviet line orthodox Marxist-Leninist party completely under Moscow's guidance and control.

The South African Communist Party admitted this fundamental point in a recent article in its regularly published journal entitled *Umsebenzi*. In the issue which appeared as Volume 2, Number 1 for 1986, in an article entitled "History of the South African Communist Party," it was pointed out that the 6th Congress of the Communist International, COMINTERN, which occurred in 1928, gave guidance on the relationship between the South African Communist Party and the ANC. The article stated, and I quote, "The South African Communist Party should pay particular attention to the ANC. Our aim should be to transform the ANC into a fighting nationalist revolutionary organization."

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The Subcommittee on Security and Terrorism under the able leadership of the distinguished Senator from Alabama (Mr. Denton) held extensive hearings in March 1982 which documented the Communist penetration and domination of the ANC organization. During the hearings on S. 2701, Mr. Denton appeared before the Foreign Relations Committee and delivered eloquent testimony about the findings of his Judiciary Subcommittee.

I commend our distinguished colleague for his determined efforts to inform our colleagues as well as the American people about the real nature of international terrorism. The hearings of the subcommittee to which I just referred appear in two volumes which were published by the subcommittee and I recommend the hearings and the report to Senators who wish to be informed on the matter.

Senator Denton's hearings revealed that, as of 1982, at least 12 members of the 22 member National Executive Committee of the ANC organization were known members of the South African Communist Party. Seven more members were suspected members of the South African Communist Party. That was in 1982, before the more recent changes which I shall discuss shortly.

Those who were identified by the Senate Security and Terrorism Subcommittee in 1982 as known members of the South African Communist Party were: Yusuf Dadoo, the Vice-President of ANC; Alfred Nzo, the Secretary General; Dan Tloome, the Deputy Secretary General; Joe Slovo, the Deputy Chief of the Umkhonto We Sizwe ("Spear of the Nation," the armed terrorist branch of the ANC); Josiah Jele, Director of International Affairs; Reginald September; Thabe Mbeki, Chief of the Political Department; Moses Mabhita, Secretary General of the South African Communist Party; Stephen Dlamini; Hector Nkula; John Nkadimeng; and Mziwandile Piliso, Chief of Personnel and Security.

Those identified as suspected members of the South African Communist Party were: Oliver Tambo, President of ANC; Joe Modise, Chief of the Umkhonto We Sizwe; Sizakele Sigxashe, Director of Information and Publicity; Henry Makgothi; Jacob Zuma; Andrew Masondo; and Edward Dilinga.

It is quite clear from this analysis that the National Executive Committee of the ANC was, as of 1982, fully penetrated by the South African Communist Party and that the party has a dominant influence on the organization. There is no excuse for not recognizing this simple fact in light of the extensive testimony presented at the subcommittee's hearings.

However, since 1982 the situation has become even more transparent. The executive committee of the ANC has been enlarged to 30, and there are even more Communists on its rolls.

In June 1985, at Kabwe, Zambia, the Second National Congress of the African National Congress was held and a 30 member National Executive Committee was appointed. According to information made available to my office by the Subcommittee on Security and Terrorism there are 19 members who have been identified as members of the South African Communist Party and there are 6 additional members who are suspected of being members of the South African Communist Party.

Those who have been identified as known members of the South African Communist Party are: Alfred Nzo, the Secretary General

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of ANC; Dan Tloome, Deputy Secretary General and Deputy Treasurer General of the ANC; Joe Modise, Commander of the Umkhonto we Sizwe; Joe Slovo, Deputy Chief of the Umkhonto we Sizwe; Reginald September, former London Representative of the ANC currently in Zambia; Thabo Mbeki, Secretary for Publicity; Moses Mabhida, Secretary General of the South African Communist Party, deceased 8 March 1986; Stephen Dlamini, President of the South African Congress of Trade Unions; Henry Makgothi, Secretary of the Education Department; Mziwandile Piliso, special aide to Oliver Tambo, President of ANC; Chris Hani, Political Commissar of the Umkhonto we Sizwe; Pallo Jordan, Senior Member of the Department of Information and Publicity; Mac Maharaj, Member of Political and Economic Committees; Cassius Make, Senior Commander of the Umkhonto we Sizwe; Francis Meli, Editor of *Sechaba*, the ANC monthly magazine; Anthony Mongalo, ANC Representative in East Germany; Aziz Pahad, Senior ANC member in London office; and James Stuart, ANC representative in Zambia.

It is quite clear from this information that after the 1985 reorganization of the ANC National Executive Committee it remains fully penetrated and dominated by members of the South African Communist Party.

IV. The Overthrow of the South African Government

> In the first place our objective is not to work for the regime's abdication but to bring about its revolutionary overthrow.—Umesebenzi, Vol. 2, No. 2, 1986.

Although there is much pious talk about "power sharing" and a non-racial government, the real aim of the anti-apartheid movement is the violent overthrow of the South African government, and the institution of a Communist dictatorship based on tribal loyalties. No Senator who supports S. 2107 can be said to support such an aim. But the thrust of S. 2107 is to bring that about.

The African realities are that the most significant sociological fact is the tribal organization. In country after country, after a Communist takeover, the regime in power has sought to consolidate its power by eliminating all opponents, not based just upon political beliefs, but upon tribal distinctions. These aims are brought about by intimidation of political opponents, wholesale slaughter, removals of whole populations to concentration camps or to areas which cannot support life, and politically induced famine and starvation.

It is a disturbing fact to African observers to note that Marxism and tribalism are a dangerous and tragic mix.

In Ethiopia, for example, 300,000 died in a politically manipulated famine, and five million more had their lives changed through deprivation and forced removals.

In Mozambique, 200,000 have died, and on May 1, Samora Machel called for 200,000 more to be put into concentration camps by the end of this year.

In Zimbabwe, Robert Mugabe, whose terrorist guerrillas concentrated on horrible murders of children, women, teachers, and missionaries, has, since taking office in a so-called "democratic" elec-

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tion, systematically intimidated and dispersed his political opposition. But Mugabe is a Shona, and his chief "political" opposition comes from the Matabele tribe, and he has used his army to slaughter between 10,000 and 20,000 Matabele. It was only last July that the United States finally suspended aid—and then not for the murders, but because he insulted the visiting former President of the United States, Jimmy Carter.

Thus it is very disturbing to learn that the majority of blacks on the Communist-dominated Executive Committee of the ANC are Xhosa, the historic enemies of the Zulus. That is a fact that looms larger in Africa than the political views of the executive committee, but it is no less deadly. Under such circumstances, the remedies proposed in S. 2701 are based upon fantasy.

At the same time, S. 2701 gives no quarter at all to the present Government of South Africa, a country with Western values and Western political traditions, a country that has been trying to come out of its geographic isolation. It was very disappointing that the committee rejected an amendment I offered taking note of the reforms which South Africa has initiated since 1976.

My amendment took note of the significant progress which South Africa has made in dismantling the apartheid system, particularly in undertaking the following actions:

In 1976, for the desegregation of sports and athletic competition, and reforms in the educational system;

In 1977, for partially removing the job reservation system;

In 1978, for allowing 99-year leasehold home ownership for blacks;

In 1979, for recognizing black trade unions, and giving them the right to strike and bargin collectively;

In 1980, for desegregating the leading hotels, restaurants, libraries, and sporting facilities; in 1981, for accepting the permanence of blacks living in white areas, for abolishing racial wage differentation in the public sector, for initiation of compulsory education for black children, for opening trade unions to all races, and for convening the racially-mixed President's Council to discuss South Africa's constitutional future;

In 1982, for the President's Council admitting the urgent need for political reform, despite deep divisions in the white political sector; for instituting black self-government at local levels; for putting blacks on government and quasi-government boards such as the Housing Commission and the Prime Minister's Economic Advisory Council;

In 1983, for successfully promoting a referendum which, by a two thirds vote, admitted Coloreds and Indians to Parliament; for its straightforward admission that the homeland policy has been a failure; for eliminating legalized discrimination in employment; for giving blacks the right to vote in local elections; and for abandoning the job reservation system that discriminated against blacks;

In 1984, for adopting the Constitution that abolished the whites-only Parliament; for setting as an urgent goal the achievement of parity in education; for abolition of the restrictions on blacks in the Western Cape;

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In 1985, for repealing the Immorality Act; for legalizing racially-mixed marriages; for abolishing forced removals; for opening political parties to all races; for extending freehold land ownership rights for urban blacks; for opening the central business districts to businessmen of all races; for setting as a goal one citizenship for all South Africans; for declaring that the reincorporation of the homelands in a United South Africa was a negotiable item; for appointing Colored and Indian Cabinet Ministers; for declaring that public services are to be staffed according to merit; for publicly announcing a commitment to powersharing with blacks; for meeting with Natal Province leaders to discuss multiracial government; for offering amnesty to Nelson Mandela on condition that he renounce violence; for granting the right to own land to South Africans of all races; for promising negotiations with black leaders; for desegregating all universities; for the repeal of all references to race and color in immigration laws; for creating a climate of opinion in which 75% of all whites in a nationwide poll said they would accept some form of power sharing with blacks;

In 1986, for abolishing the Pass Laws; for amending and/or repealing the Influx Control Act and 34 related laws; for abolition of the all-white Provincial Councils; for the formation of multi-racial Regional Services Councils; for repealing the Separate Amenities act; for increasing government expenditures on black education seven times over the level of 1979; for introducing legislation to enable homeland blacks to regain South African citizenship; for appointing blacks, Coloreds, and Indians as members of Executive Councils in previously all-white provincial governments; and for the institution of a National Statutory Council to begin discussion with blacks on a new Constitution.

The fact is that the system of apartheid has been totally abolished under law, with the single exception of residential segregation. What remains to be negotiated is not apartheid, but very, very fundamental issues of how to protect the rights of all groups through a system of checks and balances.

There has never been a democratic transfer of power in Africa after the first "election" in the transition period. The rule in Africa is one man, one vote, one time. The Government of South Africa knows that it cannot, in justice to black and white alike, surrender to the kind of intimidation that seeks to achieve that kind of transfer—whether it comes from internal Communists, or from the supposedly advanced industrial nations of the West. Democracy is a necessary component, but only one component of a stable and just society. Unless we draft our sanctions bill with wisdom and justice, the people of South Africa, and all of Africa, face the bleakness of a Communist future.

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ANNEX I

How To Be a Good Communist

(By Nelson Mandela)

INTRODUCTION

A Communist is a member of the Communist Party who understands and accepts the theory and practice of Marxism-Leninism as explained by Marx, Engels, Lenin and Stalin and who subjects himself to the discipline of the Party.

The goal of communism is a classless society based on the principle: from each according to his ability and to each according to his needs.

The aim is to change the present world into a Communist world where there will be no exploiters and exploited, no oppressor and oppressed, no rich and poor Communists fight for a world where there will be no unemployment, no poverty and starvation, disease and ignorance. In such a world there will be no capitalists, no imperialists, no fascists. There will be neither colonies nor wars.

In our own country, the struggles of the oppressed people are guided by the South African Communist Party and inspired by its policies. The aim of the S.A.C.P. is to defeat the Nationalist Government and to free the people of South Africa from the evils of racial discrimination and exploitation and to build a classless or Socialist society in which the land, the mines, the mills and factories will be owned by the state.

Under a Communist Party Government, South Africa will become a land of milk and honey. Political, economic and social rights will cease to be enjoyed by whites only. They will be shared equally by whites and non-whites. There will be enough land and houses for all. There will be no unemployment, starvation and disease. Workers will earn decent wages; transport will be cheap and education free. There will be no pass laws, no influx control, no police raids for passes and poll tax and Africans, Europeans, Coloureds and Indians will live in racial peace and perfect equality.

The victory of Socialism in the U.S.S.R., in the People's Republic of China, in Bulgaria, Czechoslovakia, Hungary, Poland and Romania, where the living conditions of the people were in many respects similar and even worse than ours, proves that we too can achieve this important goal.

Communists everywhere fight to destroy capitalist society and to replace it with Socialism, where the masses of the Common people, irrespective of race or colour, will live in complete equality, freedom and happiness. They seek to revolutionise society and are thus called revolutionaries. Those who support capitalism with its class

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divisions and other evils, and who oppose our just struggles to end oppression and exploitation are called counter-revolutionaries.

Comrade Liu Shao-chi, member of the Central Committee of the Communist Party of China, says:

> We Communist Party members are the most advanced revolutionaries in modern history and are the contemporary fighting and driving force in changing society and the world. Revolutionaries exist because counter-revolutionaries still exist. Therefore, to conduct a ceaseless struggle against the counter-revolutionaries constitutes an essential condition for the existence and development of revolutionaries. If they fail to carry on such a struggle, they cannot be called revolutionaries and still less can they advance and develop. It is in the course of this ceaseless struggle against the Counter-revolutionaries that Communist Party members change society, change the world and at the same time change themselves.

To succeed in conducting a ceaseless struggle against the counter-revolutionaries, and to be able to play the vital role of being the most advanced revolutionary and driving force in changing society and the world, one must put all else aside and seriously and faithfully undertake self-cultivation.

1. The process of self-cultivation

The process of self-cultivation involves two elements:

(a) One's steeling in the practical struggles of the oppressed people, and

(b) The cultivation of one's ideas.

(a) One's schooling in the practical struggles of the oppressed people

To become the most advanced Communist revolutionary, it is not enough to understand and accept the theory of Marxism-Leninism. In addition, one must take part in the practical struggles of the people against oppression and exploitation. A person who is isolated from the peoples struggles, an arm-chair politician, however deep his knowledge of Marxist theory might be, is not a Communist revolutionary.

It is only in the course of such practical struggles that one's advancement and development is stimulated; that one acquires the necessary experience to guide the masses of the people in their political battles and the art and skill of being a driving force in changing society and the world. It is precisely for this reason that S.A.C.P. requires its members to participate fully and without reservations in such issues as the anti-pass campaigns, the struggle against Bantu Authorities, against Job Reservation, the Group Areas Act and in all other mass campaigns.

By consistently taking part in such struggles party members, who very often start with no experience whatsoever, gain valuable knowledge, and get hardened for the stern mass struggles that are part and parcel of the life of every communist revolutionary.

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(b) The cultivation of one's ideas

Participation in practical mass struggles does not in itself enable a Party member to raise his revolutionary qualities, nor does it help him to understand the law of the development of society and the laws of the revolution. Progress in one's revolutionary qualities and knowledge of the laws of social development and the laws of the revolution will be achieved by a thorough understanding of the theory of Marxism. It is thus absolutely imperative for all Party members to have, to make a serious study of Marxist philosophy and to master it completely. Only in this way will Party members become the most advance revolutionaries. Only in this way will they advance and develop.

The aim of studying Marxist philosophy is to enable us to direct more effectively revolutionary mass struggles. To put it in a nutshell, Marxism is a guide to action.

Communist Party members must undertake self-cultivation whether they are new members in the Party or old ones, whether they are workers, peasants, businessmen, professional men or intellectuals, and whether they are conducting difficult or easy revolutionary mass campaigns; in victory or defeat.

Finally, self-cultivation must be imaginative and practical, and must be used to eliminate from one's outlook and conduct unhealthy tendencies which local conditions may give rise to.

South Africa is a country where the politically, economically and socially and where Africans, Coloureds and Indians are treated as inferiors. It is a country torn asunder by racial strife and where black and white channistism finds fertile soil in which it thrives and where efforts and appeals for working-class solidarity very often fall on deaf ears.

The pamphlet compiled by the S.A.C.P. to mark the fortieth anniversary of the Communist Party of South Africa, which preceeded the S.A.C.P. and which was declared illegal in 1950, correctly points out that, in spite of all the formidable difficulties that faced it, the C.P.S.A. had in existence brought about profound changes in the thinking and political outlook of the oppressed people of South Africa. These achievements are being expanded and further developed by the S.A.C.P., the worthy successor of the C.P.S.A. In spite of these advances, however, there is still the danger that the historical problems and prejudices produced by capitalist society in our country may infiltrate into our Party and influence the political outlook of our Party members.

In cultivating their outlook, out members must consciously strive to remove these particular weaknesses and shortcomings as well.

This is what we mean when we say Party members must undertake self-cultivation.

2. How to become the best pupil of Marx, Engels, Lenin and Stalin

At the beginning of these lectures we defined a Communist as a member of the Communist Party who understands and accepts the theory and practice of Marxism-Leninism as explained by Marx, Engels, Lenin and Stalin.

Any person may become a member of the Communist Party if he accepts the programme and constitution of the Party, pays Party

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membership fees and undertakes tasks given to him in one of the Party's organisation. These are called the minimum qualifications that every Party member must possess. But every one of our members should not be content to be a member of minimum qualifications. He must strive to become a member of Marxism qualifications. Every party member should raise his revolutionary qualities on every respect to the same level as those of Marx, Engels, Lenin and Stalin.

Some says that it is impossible to acquire the great qualities of revolutionary geniuses like Marx, Engles, Lenin and Stalin and that it is impossible to raise our own qualities to the same level as theirs. But as long as Party members work hard and earnestly, never allow themselves to be isolated for one single moment from the day to day struggles of the people and make serious efforts to study Marxist literature, learn from the experiences of other comrades and the masses of the people, and constantly strive to steel and cultivate themselves, they will be perfectly able to raise their qualities to the same level as that of Marx, Engels, Lenin and Stalin.

There are two ways of studying Marxism. One is to learn it by heart and be able to repeat mechanically the information learnt without being able to use this information for the purpose of solving problems.

The second is to try to master the essence, spirit and methods of Marxism. In this second category belongs those comrades who read over and over again Marxist literature, who pay special attention to the concrete conditions existing in the country have they live and draw their own conclusions, their entire activities, their attitude towards other comrades and the masses of the people, and the whole of their lives are guided by the principles of Marxism-Leninism and aimed at one thing—national liberation, the victory of the working class, the liberation of mankind, the success of Communism and nothing else.

To reach this goal calls for a supreme effort and an iron will. It means complete dedication to the struggle for the removal of oppression and exploitation and for life long devotion to the study of Marxism.

3. The aspects and methods of cultivation

Cultivation must be carried on in all aspects in the course of the long and strenuous struggle to free the working class and the masses of the people from capitalist exploitation. Cultivation is needed in studying Marxism and in applying it to answer questions and to solve practical problems, in sharpening one's moral character and behaviour; in hard work and ability to withstand hardship; in preserving the unity of the Party and conducting inner-party struggle; loyalty to the Party and complete dedication to the cause of the Communist revolution.

The life of a Communist revolutionary is no bed of roses. It consists of serious studies in Marxist literature, of hard work and of constant participation in numorous and endless mass struggles. He has no time for worldly pleasures and his whole life is devoted to one thing, and one thing only, the destruction of capitalist society, the removal of all forms of exploitation and the liberation of mank-

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ing. A Communist revolutionary always combines theory with practice. He studies for the sole purpose of putting into practice what he has learnt. He regards Marxism as a guide action and takes part fully and without reservation in mass struggles directed by the Party or by other political organisations outside of the Party. In South Africa, a Communist Party member must take part in mass struggles initiated by the S.A.C.P. the Congress Movement or by other political bodies within the liberation movement.

4. Relation between the study of Marxist-Leninist theory and the ideological cultivation of party members

It is commonly thought that one's intelligence, ability and the study of Marxist text books are in themselves enough to enable one to master the theory and method of Marxism-Leninism.

Nothing could be further from the truth.

Dealing with this point Liu-Shao-Chi says:

> Marxism-Leninism is the science of the proletarian revolution. It can be thoroughly understood and mastered only by these who fully take the proletarian standpoint and who adopt the ideals of the proletariat as their own. It is impossible for anyone to thoroughly understand and master the Marxist science of the proletariat, only by means of his intellect and strenuous study if he lacks the firm standpoint and pure ideals of the proletariat. This is also an obvious truth. Therefore, in studying the theory and method of Marxism-Leninism today, it is necessary that our study proceeds simultaneously with our ideological cultivation and steeling because without the theory and method of Marxism-Leninism, we should have nothing to guide our thoughts and actions and our ideological cultivation would also be impossible. These two are closely related to each other and are inseperable.

We do need Communist Party members who are highly intelligent and who have ability and who make it their business to have a thorough understanding of Marxist theory. But a working class revolution will be carried out successfully by those Party members who in addition to the characteristics mentioned above, adopt without reservation, the standpoint and ideals of the working class.

Although they may be unable to recite quotations from Marxist text books, experience shows that Party members of working class origin have a keener interest and deeper understanding of Marxism-Leninism than these Party members of student origin, provided it is explained to them in words they understand. In loyalty to the Party, in discipline and in the handling of practical problems, they often prove more correct and more in conformity with the principles of Marxist-Leninism than others.

This is so because Party members of working class origin have a firm and pure Communist standpoint and ideals, an objective attitude towards things, and in their minds they have no pre-conceived ideas whatsoever, and no worries about personal problems or about impure matters.

Party members who lack a firm working class outlook, who have the habits and prejudices of other clases and who have personal in-

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terests and selfish ideas are not true Communists. As a matter of fact, they very often find that Marxist-Leninist principles will clash with their interacts and they invariably try to distort these principles to suit their own personal interests and prejudices.

Every Communist revolutionary must, therefore, firmly adopt the standpoint and ideology of the working class. Unless he does this, it is not possible for him to understand the universal truth of Marxism-Leninism.

5. The cause of communism is the greatest and most arduous cause in the history of mankind

On page one of this section we point out that our aim is to change the present world into a Communist world where there will be no exploiters and exploited, no oppressor and oppressed, no rich and poor. We also make the point that the victory of Socialism in the U.S.S.R., in China and other states in Asia and Eastern Europe proves that a Communist world is capable of attainment. Morever, since the victory of Socialism in the U.S.S.R. in 1917, the Socialist camp has grown to become a world force with a population of more than 1000, million and occupying a third of the globe.

But in spite of this victorious advance, the Communist movement still faces powerful enemies which must be completely crushed and wiped out from the face of the earth before a Communist world can be realised. Without a hard, bitter and long struggle against capitalism and exploitation, there can be no Communist world.

The cause of communism is the greatest cause in the history of mankind because it seeks to remove from society all forms of oppression and exploitation, to liberate mankind and to ensure peace and prosperity to all.

A Communist revolution is different from all other revolutions in history. Whereas in other revolutions the seizure of State power is an end in itself, in a Communist revolution the seizure of State power by the working class is a means to an end, that end being the total removal of all forms of exploitation, the liberation of mankind by building up a classless society.

Every Communist Party member must possess the greatest courage and revolutionary determination and must be prepared to play his part and carry out all political tasks without fear or hesitation.

In the struggle to transform the present world into a Communist world, we must strive consistently to combine theory with practice.

Finally, we must live and develop in reality. In fighting to change the world we must start from the very people in close contact with us. We must thoroughly study our own situation and problems, understand them completely and work out appropriate solutions.

6. The unconditional subordination of the personal interests of a party member to the interests of the party

A Communist Party member must subordinate his personal interests to those of the Party. As the political of the working class, the Communist Party has no interests of its own apart from those of the working class. The Party seeks to destroy capitalist exploitation and to free the working class. Therefore, the subordination of

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a Party member's personal interests to the Party's interests means subordination to the interests of the working class.

We test a Communist Party member's loyalty to the Party, to the revolution and the Communist cause by the manner in which he absolutely and unconditionally subordinates his interests to those of the Party under all circumstances. To sacrifice one's personal interests and even one's life without the slightest hesitation for the cause of the Party is the highest manifestation of Communist ethics.

In the Party our members should not have personal aims independent of the Party's interests. The desire for personal power and positions, individual heroism conflict with the interests of the Party and the working class.

A true Communist should possess the following characteristics:

(i) He must possess very good Communist ethics. He can show love and loyalty to all his comrades, revolutionaries and working people, help them unconditionally, treat them with equality and never harm any one of them.

He always tries to do more revolutionary work than others and to fight harder. In times of adversity, he will stand out courageously and unflenchingly and in the face of difficulties he will demonstrate the greatest sense of responsibility.

He is able to resist corruption by riches or hours, to resist tendencies to facilitate in spite of poverty and lowly status and to refuse to yield in spite of threat and force.

(ii) He possess the greatest courage. He can see his mistakes and shortcomings and has sufficient willpower to correct them. At all times and under all circumstances he speaks the truth and nothing but the truth. He courageously fights for it even when it is temporarily to his disadvantage to do so.

(iii) He has a thorough understanding of the theory and method of Marxism-Leninism. He has an objective attitude.

(iv) He is the most sincere, most candid and happiest of men. Apart from the interest of the Party and of the revolution, he has no personal losses or gains or other things to worry about. He takes care not to do wrong things when he works independently and without supervision and when there is ample opportunity for him to do all kinds of wrong things.

He does not fear criticism from others and he can courageously and sincerely criticise others.

(v) He possesses the highest self-respect and self esteem. For the interest of the Party and of the revolution, he can also be the most lenient, most tolerant and most ready to compromise and he will even endure, if necessary, various forms of humiliation and injustice without feeling hurt or bearing grudges.

The Communist Party represents not only the interests of individual Party members but also the long-range interests of the entire body of workers and the emancipation of mankind. Apart from the interests of the working class and the emancipation of mankind, the Communist Party has no other interests and aims. The Party must not be regarded as a narrow, small group like a guild which seeks only the personal interest of its members. Whoever holds such a view is not a Communist.

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A member of our Party is no longer just an ordinary person. He is a conscious vanguard fighter of the working class. He should prove himself a conscious living representative of the interests and ideology of the working class. He should thoroughly merge his personal interests and aims of the Party and the working class.

A Communist revolutionary has his personal interests and the Party should neither eliminate his personality nor prevent personal development, so long as these do not conflict with the interests of the Party.

This is what is meant by the unconditional subordination of the personal interests of a Party member to the interests of the Party.

7. Examples and origin of the various kinds of erroneous ideologies in the party

(i) People who join the Communist Party come from different classes of society, and bring with them various habits and prejudices which often clash with the basic levels of Marxism-Leninism. Because these people do not have a firm and clear cut Communist outlook they very often waver and even desert the Party when they are faced with danger or difficulties.

The Party must pay particular attention to the education, steeling and self-cultivation of such comrades, since without them, they can never develop to be true Communists. No Communist Party anywhere in the world limits its members only to those who have a thorough understanding of communism. The Party will admit any person who accepts the programme of the Party and its constitution. By serious study and hard work such comrades can develop into excellent Communists ready to give their lives for the Party and the Communist cause.

(ii) Certain members of the Party still reflect individualism and self-interests in their work. In their attitude and work they place their personal interests above the Party's interests; they worry about personal gains, they use the Party for their own personal interests. They always want special treatment, less work and more pay. They avoid hard work and hardships; and will disapper at the first signs of danger; and yet they will want to share the honours won by their comrades for the Party through sacrifice and hard work.

Individualism frequently expresses itsself in unprincipled discussions and disputes, factional struggles and in sectarian tendencies and in undermining Party discipline. A closely related mistake is that of departmentalism in which a comrade sees only partial interests, sees only his part of the work instead of seeing the situation as a whole and of the work of others. It often leads to obstruction and must be avoided.

(iii) Others show council, individual heroism and like to show off. Liu Shao-chi says of these people:

> The first consideration of these people with such ideas is their position in the Party. They like to show off, and want others to flatter them and admire them. They have a personal ambition to become leaders. They take advantage of their abilities and like to claim credit to show off themselves to keep everything in their hands and they are in-

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tolerant. They are full of vanity, do not want to bury their heads in hard work and are unwilling to do technical work. They are haughty. When they have made some small achievements they become very arrogant and domineering as if there were no one else like them in the world. They seek to overshadow others and cannot treat others on equal terms, modestly and politely. They are self-conceited and like to lecture others to instruct and boss others. They are always trying to climb above others, and do not accept directions from others, do not learn modestly from others and particularly from the masses, nor do they accept criticism from others. They like to be "promoted" but cannot stand to be "demoted." They can only work in fair weather but in foul. They cannot bear attacks on injustices and are unable to adopt themselves to circumstances. They are not great men capable of asserting themselves when necessary or of keeping in the background when required. They have not yet got rid of their deep-rooted desire for fame and they try to build themselves up into great men and "heroes" in the Communist cause, and even hve no scrupples in employing any means for the gratification of such desires. However, when their aims cannot be achieved, when they receive rebuffs or cool treatment from comrades in the Party, there is a possible danger of their wavering. In the minds of such persons there exists remnants of the ideology of the exploiting classes. They do not understand the greatness of communism, nor do they have the broad vision of a Communist.

A Communist should have none of these shortcomings. Whoever possesses such can never rise to become as great as Lenin. In the Communist Party leaders achieve success through mass support. Mass support is earned by those Party members who have no personal interests as against those of the working class and the Party, who are completely loyal to the Party, who have a high degree of Communist ethics and revolutionary qualities, who strive to master the theory and methods Marxism-Leninism, who have considerable practical ability, who can actually direct Party work, who are not afraid of serious study and hard work, and who become heroes and leaders in the Communist revolution because of the confidence and support they enjoy from the masses of people.

The struggle to change the present world into a Communist world cannot be carried out by one person however hard he may work. It can be carried out successfully only by the planned and combined efforts of millions of people.

Some Party members are contemptuous of technical work within the Party. Such an attitude is incorrent because technical work forms an important part of Party work, and because a Party should be ready and willing to do any work which is important to the Party whether or not he likes such work.

(iv) Other Comrades within the Party reflect the ideology of the exploiting classes. In their Party work and in their relations with other Party members, they behave like landlords, capitalists, imperalists and fascists.

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These persons seek to develop themselves by holding down others. They are jealous of those who are more capable. They are not prepared to work under other Comrades and to take instructions. They secretly rejoice when other Comrades fail in their political tasks and in their moral standards and conduct. They indulge in gossip and spread false information about their Comrades. They are the characteristics of exploiting classes and are alien to the working class and the Party; they should be exposed wherever they are found.

The working class is entirely different from the exploiting class. It does not exploit others nor does its interests conflict with those of the Party and other workers or exploited masses.

The outlook and thinking of the working class are altogether different from those of the exploiting classes. In dealing with the enemies of the people they are merciless and uncompromising.

But in dealing with their Comrades, they are always inspired by love and desire to assist. They are strict with themselves but lenient towards other Comrades. They are strict and firm on matters of principle and always adopt a frank and serious attitude. This is the outlook of the working class and should be learnt and developed by every Party member.

(v) Some Comrades still have bureaucratic tendencies. They like to run the Party by issuing edicts and directives without consulting Party organisations and without taking into account the views of their comrades. They resent criticisms and are very harsh in dealing with other Comrades. Such weaknesses are un-Marxist and every Communist should strive to overcome them completely.

Furthermore a Party member should be broadminded and concern himself always with the overall situation when dealing with problems. He should avoid pettiness and unprincipled discussions. He should have a clear and definite standpoint and not be a fence sitter.

Although the Communist Party is the most progressive of all political parties, and although it fights for a society which guarantees happiness and prosperity to millions of people not everything in it is perfect. In spite of the fact that its members are the world's most conscious and progressive revolutionaries, with the highest sense of morality and righteousness, there are still defects in the Party and some of its members do not measure up to the qualifications of a Communist revolutionary.

The explanation for this state of affairs lies in the fact that every Communist Party emerges out of the very society whose evils it seeks to remove. Its members come from the various classes of that society and some of them bring into the Party the habits, prejudices and outlook on life of the class from which they came. It is precisely for this reason that Communist Party members must undertake self-cultivation. In addition to waging struggles against counter-revolutionary forces, the Party must carry on inner Party struggle against those comrades who are still influenced by the outlook and prejudices of the exploiting classes.

The working class is commonly referred to as the proletariat. The working class can be divided up into the three groups.

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(i) The first group is composed of those who completely severed their ties with the capitalist class years ago. This is the core of the working class and are the most loyal and reliable.

(ii) The second group consists of those who only recently came from the non-working class, who came from the peasants, the middle-classes and intelligentsies. They are usually anorehistic and ultra-left.

(iii) The third group is composed of the working class aristocracy, those working class members who are best provided for, who earn high wages and whose economic position is comparatively high. They comprise easily with the enemies of the people, with the capitalistic class.

The attitude towards various erroneous ideologies in the party and inner-party struggle

Some party members have a pessimistic view on things they see only errors, defects and a future beset with formidable difficulties and dangers. The growing strengths of the Socialist Camp, the powerful influence scerted by our Party in our own country and the certainty of the final victory of communism over capitalism, inspire them with no hope in the future.

Both views are wrong and un-Marxist. A Communist Party member knowns that the Communist Party is the most progressive and most revolutionary Party in the world. He has complete confidence in the future and he dedicates his entire career to the cause of communism. In spite of this knowledge he realises most clearly that in our Party there are still various kinds of errors, defects and undesirable things. Furthermore, a Party member clearly understands the origin of these errors and the method to be used in removing them.

The following are the various kinds of attitudes toward undesirable things in the Party:

(i) To enjoy seeing errors and defects in the Party and to magnify them to undermine the Party. This is the attitude of spies and similar elements within the Party.

(ii) Some people consider that the existence of errors and defects in the Party is to their advantage and they deliberately help to spread them and to make use of them. This is the attitude adopted by opportunists and similar elements within the Party.

(iii) To leave these errors and defects undisturbed instead of fighting against them. This is the course followed by those members who have but a weak sense of duty towards the Party and who have bureaucratic tendencies.

(iv) To harbour violent hatred towards errors and defects and toward Party members whose political outlook is incorrect. They believe in bitter struggles among Party members and expel their comrades at the slightest pretext. This is the method used by Party comrades who do not correctly understand the methods of correct mistakes and weaknesses amongst comrades.

All these attitudes are incorrect and dangerous and should be scrupulously avoided by Communists. Our own attitude is as follows:

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(i) We first analyse the situation most thoroughly and decide which views are correct and which of them are incorrect and dangerous to the Party. Once we are convinced of the correct opinion we firmly uphold it to the better and no matter how strong the opposition and how influential the individuals who hold the opposite point of view.

(ii) Having carefully analysed the situation and have decided which is the correct opinion, we then devole our attention to the promotion and development of the correct viewpoint. We never allow ourselves to be influenced by an incorrect point of view.

(iii) Communists are men of action. In promoting and developing the correct viewpoint we also fight actively against all the undesirable things in life. A Party member who is afraid of action and hard struggle, however brilliant he might be, can never be a Communist revolutionary. A Communist must always, and under all circumstances, be ready and willing to conduct an active struggle against all forms of reaction.

(iv) Although a Communist never compromises on questions of principle, he never adopts an inflexable and mechanical attitude in his methods of struggle. The aim is always to reform and educate those comrades who still possess non-Communist tendencies.

(v) The elimination of undesirable tendencies in the Party and the building up of revolutionary qualities in our members enhances the disipline and prestige of the Party. Those Party members who fail to respond to the most patient pursuasion and to efforts to educate and reform them should be expelled from the Party.

As indicated at the very beginning of this series, a Communist is a member of the Communist Party who understands and accepts the theory and practice of Marxism-Leninism as expounded by Marx, Engels, Lenin and Stalin, and who subjects himself to the discipline of the Party.

A good Communist is therefore one who:

(i) is a member of the Communist Party, who is absolutely faithful and loyal to the party, who obeys without question all Party rules and regulations and who carries out all instructions issued by the Party,

(ii) has throughly studies the works of Marx, Engels, Lenin and Stalin, who understands them clearly and who knows how to carry out their teachings in the struggles of the people to defeat capitalism and all forms of exploitation,

(iii) devotes all his time to one thing, and one thing only, the struggle against capitalism and for a Communist world.

(iv) in their relations with Party comrades are always inspired by love and sincere friendship and the desire to be helpful,

(v) are honest and upright and who are prepared to defend the truth at all times and under all circumstances.

Such is a good Communist.

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ANNEX II

Biographies of Selected ANC Officials

PREPARED BY THE CENTRAL INTELLIGENCE AGENCY AND DECLASSIFIED BY MR. WILLIAM CASEY AT THE REQUEST OF SENATOR JESSE HELMS

STEPHEN DLAMINI

Stephen Dlamini, president of the South African Congress of Trade Unions (SACTU) and a member of the ANC National Executive Committee, has opposed South Africa's white government for several decades. A Communist, he has described his activities against Pretoria as directed not only against the government but also against imperialist powers in general and multinational monopolies.

Dlamini, 73, has been a member of the ANC and SACTU since the early 1950s. He was convicted in 1964 of antigovernment activities and spent the next six years in prison. Dlamini was elected president of SACTU while in prison. He left South Africa in 1977.

MARTIN (CHRIS) HANI

Chris Hani, a member of the National Executive Committee since 1985, is deputy commander and political commissar of the military wing of the ANC. He has had nearly seven years of military training in the Soviet Union. Hani believes that the only way to change South Africa is through the intensification of the armed struggle. He has accused Pretoria of avoiding serious negotiations in order to "buy time."

Hani served as ANC representative to Lesotho during the early 1980s. While he was in Lesotho, his home there was bombed several times. Hani is about 42 years old.

PALLO JORDAN

A member of the National Executive Committee, Pallo Jordan is director of research in the ANC's Department of Information and Publicity. The South African Government has publicly stated that Jordan, 44, is either a Communist or an active supporter of Communism. He has made several visits to the United States on ANC business.

S.R. (MAC) MAHARAJ

Mac Maharaj, an Indian and a longtime member of the South African Communist Party, plays a major role in ANC military and intelligence activities. He also has a hand in the formulation of the ANC's political strategy; he has been a leading participant in the

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ANC's recent meetings with delegations of white south African businessmen, students, and opposition parliamentarians.

Maharaj, who studied law at the University of Natal, has been associated with the ANC and the SACP since at least the mid-1950s. He left South Africa in 1957 for the United Kingdom, where the taught for several years. He joined the Communist Party of Great Britain in the 1950s; and subsequently became a member of its executive committee. In 1964, Maharaj was convicted of sabotage and of furthering the aims of communism and was imprisoned on Robben Island. Immediately after his release in 1976 he was banned for five years. He fled the country in 1977 and resumed his political activities. He was elected to the ANC's National Executive Committee in 1985. He is 51 years old.

CASSIUS MAKE

Cassius Make, a member of the National Executive Committee, is political commissar of the military wing of the ANC. He is about 45 years old.

HENRY MAKGOTHI

A longtime member of the National Executive Committee, Henry Makgothi is secretary of education in the ANC. (The education department is under the office of secretary general Alfred Nzo.) He has received training in the Soviet Union. Makgothi has been a member of the ANC since at least the 1970's. Makgothi is 57 years old.

THABO MBEKI

Thabo Mbeki, a member of the National Executive Committee, is one of the most visible officials in the ANC. He is the son of imprisoned ANC and South African Communist Party leader Govan Mbeki. Thabo Mbeki is hostile to many nonblack SACP members, such as Joe Slovo, because he resents their influence in the ANC.

Mbeki left South Africa in 1962 for the United Kingdom, where he attended Sussex University and later became an officer of the ANC's Youth Section. During the 1960's he was associated with the World Federation of Democratic Youth (a Communist-front organization). He held several posts in the ANC during the 1970s, including assignments as a political officer in the military wing and political secretary in the president's office. Mbeki, 44, has two brothers who are also prominent ANC members.

FRANCIS MELI

Francis Meli, a member of the National Executive Committee, is editor of *Sechaba*, an ANC magazine funded and published by the East Germans. The South African Government has publicly stated that he is either a Communist or a supporter of communism. A member of the ANC for more than a decade, he was educated in East Germany. Meli now lives in London and makes frequent trips abroad, including to the United States.

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JOE MODISE

Joe Modise is a member of the National Executive Committee and the commander of the ANC's military wing. Modise has belonged to the ANC since at least the late 1950s. Before leaving South Africa in 1964 he was involved in political activities in the Johannesburg area. Modise is about 53 years old.

ANTHONY MONGALO

Anthony Mongalo, a member of the National Executive Committee, has been the ANC representative to East Germany since 1978. He previously served as the ANC representative in Italy. Mongalo, 49 has stressed that the "socialist community" has proved itself as an ally of the ANC.

JOHN NKADIMENG

John Nkadimeng, a member of the National Executive Committee, is general secretary of the South African Council of Trade Unions. Nkadimeng is a Communist. He has described the Eastern bloc as the true ally of those struggling for national liberation and economic independence. Nkadimeng, who is now about 60, fled South Africa in 1976. During the late 1970s he served as ANC representative in Swaziland. In 1982 he was reassigned to Mozambique. His son was killed by a car bomb in 1985.

ALFRED NZO

Alfred Nzo, a self-avowed Communist, is the ANC's contact point with the Soviet Union and he frequently visits that country. A longtime member of the National Executive Committee, he has been secretary general of the ANC since 1969.

Nzo worked as a health inspector before joining the ANC in 1957. His subsequent political activism led to his banning in 1959 and detention in 1963. After fleeing South Africa in 1964, he served first as the ANC representative in Cairo (1964–67) and later in New Delhi (1967–69). He is a vice president of the World Peace Council and last year received a Soviet award, the Order of Friendship of Peoples. Nzo is 60 years old.

AZIZ PAHAD

Aziz Pahad has served on the National Executive Committee since 1985. He is one of two committee members who are of Indian ancestry. He also serves on the ANC's Political Secretariat. A South African political scientist who writes about the ANC lists Pahad as a possible member of the South African Communist Party. Pahad has written articles for the *African Communist*, the SACP publication. He has represented the ANC in London.

MZWANDILE (MZWAI) PILISO

Mzwai Piliso, a longtime member of the National Executive Committee, works out of ANC headquarters in Lusaka. Piliso, a Communist, has been a member of the ANC for more than 30 years. He has a long history of contacts with Communist-front organizations,

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including the Afro-Asian Peoples' Solidarity Organization. During tahe 1960s he served as ANC representative in Egypt (sharing the post with Alfred Nzo) and Tanzania. Piliso is 62 years old.

REGINALD SEPTEMBER

Reginald September, a Colored South African, has been a member of the National Executive Committee since 1985. He is a Communist. In 1961 September was jailed in South Africa for organizing a general strike. He went into exile in 1963.

JOE SLOVO

Joe Slovo is a longtime member of the South African Communist and the only white on the National Executive Committee. He plans military strategy for the ANC. Slovo advocates the violent overthrow of the South African Government and has publicly acknowledged his involvement in numerous terrorist actions directed against the white regime. He frequently visits the Soviet Union and strongly supports its position on all issues.

Slovo, a Lithuanian Jew, immigrated to South Africa with his parents in 1935, when he was 9 years old. He was already a Communist when he joined the South African Army in 1944. After serving in Italy and Egypt during the war, he returned home, where he subsequently earned a law degree from the University of Witwatersrand. Associated with the ANC since the late 1940's, Slovo helped draft its Freedom Charter in 1955 and was defense counsel at numerous treason trials during the 1950's. He himself was tried on treason charges in 1960, but he was acquitted. He fled South Africa in 1963. Slovo's wife, Ruth First, a prominent historian and Communist propagandist, was killed by a parcel bomb in 1982. Slovo was elected to the National Executive Committee last year.

JAMES STUART

James Stuart, a Colored South African, has served on the National Executive Committee since 1985. Stuart has long been associated with Communist front groups, including the South African Congress of Trade Unions (affiliated with the Prague-based World Federation of Trade Unions) and the World Peace Council.

Since 1972 Stuart has lived in exile, initially in Zambia and Tanzania. For about five years, he has been the ANC representative in Madagascar. He is 50 years old.

DAN TLOOME

Deputy secretary general of the ANC, Dan Trloome, is a longtime member of the National Executive Committee and a high-ranking official of the South African Communist Party. During the early 1950s Tloome was the editor of the SACP magazine Liberation. In 1961 he was served with a banning order by the South African Government. Three years later he fled to Botswana. Tloome is 65 years old.

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ADDITIONAL VIEWS OF SENATOR LARRY PRESSLER

Having recently traveled to South Africa, and as a member of the African Affairs Subcommittee of the Foreign Relations Committee, I have strong interest in this legislation. As a former Rhodes Scholar, I am also actively involved with other Rhodes Scholars in attempting to improve educational opportunities for blacks in South Africa.

Thus, I formally offered two amendments, to Senator Lugar's bill; one was accepted unanimously, and one was rejected. The first concerned a provision to ensure that if the President determines it necessary to meet food shortages in Southern Africa that are a result of this Act, or of South African retaliation against its neighbors as a result of this Act, the President would be urged to use his "African Emergency Reserve" to provide food aid and transportation for that aid. The second amendment would have deleted section 309 of this bill, the section authorizing the President to sell U.S. gold stocks and to engage in other transactions that would involve gold in such a fashion that the world market price would be driven down and the South African gold industry crippled.

I also offered another amendment for consideration by the Committee that I did not formally request a vote on. It was an attempt to encourage our members to rigorously consider the consequences of this sanctions legislation on South Africa's ten neighboring countries. It provided for up to one billion U.S. dollars in aid for South Africa's neighbors, to assist them in coping with the economic dislocations resulting from the imposition of sanctions on South Africa.

A further explanation of my concerns follows.

Explanation of Senator Pressler's amendment, passed unanimously, to add a new section, Section 312:

Section 312.—Whenever the President determines that such action is necessary or appropriate to meet food shortages in Southern Africa that are the result of this Act, or of South African retaliation against its neighbors as a result of this Act, the President is authorized to utilize the existing, authorized, and funded reserve, the "African Emergency Reserve" to provide food aid and transportation for that aid.

EXPLANATION

No one introducing this or other sanctions legislation can quantify the damage that might be done to South Africa's neighbors, either indirectly or directly by South Africa's retaliation. However, it is clearly not the intention of this body or other drafters to subject South Africa's neighbors to hardship as a result of South Africa's racial policies.

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Nevertheless, given the massive differences in per capita income between South Africa and its neighbors, and given the recent and extended drought in the region that has caused massive starvation, it is both prudent and moral to consider that food shortages might be the result.

Thus, proper consideration for food relief should be made. The President's discretionary "African Emergency Reserve" currently has $525 million in it. All of these funds have been appropriated, and no new funds would be required.

Designating the Southern African region as an appropriate recipient for emergency aid should the President consider it necessary is the least we can do to minimize needless suffering.

The food situation in Southern Africa could become precarious in the near future. The drought has ended in most regions, but plentiful rainfall has brought a new curse—the worst locust and grasshopper infestation in 60 years. The U.N. lists six countries in Africa as still facing famine emergencies, and three of these are in Southern Africa: Angola, Botswana, and Mozambique. A single swarm of the four African locusts now hatching have been known to devour as much as 80,000 metric tons of cereal crops a day—or enough food to feed 480,000 people for a year at emergency ration levels. The locust danger swarming out of Botswana when the rains come in October could last 3 to 4 years, according to the U.N., and is expected to severely threaten crops in Botswana, Zimbabwe, Zambia, Namibia and Angola.

Explanation of Senator Pressler's amendment, defeated, to strike section 309.

EXPLANATION

Section 309 would place the American President under considerable pressure to sell off some or all of U.S. gold stocks at some point in the future in order to depress the world market price, thus depriving South Africa of as much as 48 percent of its foreign exchange earnings.

I am convinced that this section should be deleted. It could have grave international implications, it would certainly cause great disruptions and hardship to the South African industry with the most progressive labor relations with blacks, it would eliminate many thousands of black jobs, and it could cause irreparable harm to the United States own gold industry. My specific objections are the following:

1. *Selling Reserves is Unlikely to achieve the Desired Objective.*—Selling U.S. reserves may not work at all, and would certainly not be sustainable over time. In the 1970's when the United States sold off gold, the price of gold actually inched up. Similarly, in the mid-1960's, President Lyndon Johnson directed the government to sell silver to hold down the world price, and he was not successful. Sales of our monetary reserves could also be interpreted as weakness in the U.S. dollar, and thus might well threaten inflation that would increase the world demand for gold as an inflation hedge.

2. *Unintended Damage to Small Developing States and United States.*—The Gold Institue has estimated 1986 world production at 22.2 million ounces, of which South Africa produces less than half.

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The USSR produces 9 million ounces annually, with Canada the third largest producer. In the United States, gold miners will produce 3.4 million ounces this year. The rest of the world's gold is produced in small poor nations, many of whom are recipients of American aid. They can ill afford to lose scarce foreign exchange. These countries include New Guinea, the Philippines, Colombia, Zimbabwe, Ghana, Zaire and Indonesia. (Two of these producers are in Southern Africa: Zimbabwe and Zaire). If this policy were successful, and gold prices plummeted, the United States would have hurt poor, debtor nations along with South Africa.

3. *World Monetary Reserves Would be Threatened.*—World central banks currently hold approximately one billion ounces of gold, which make up the largest pool of monetary reserves. Should the price fall, it would be the same as devaluing the reserves of most nations, threatening monetary instability. Most nations value their gold reserves near the market price.

4. *South African Workers Would be Hurt.*—South African mining law requires that richer veins be mined when the price declines. This would disemploy thousands of black mine workers who would not be needed. Many thousands of these are natives of Botswana, Lesotho, Mozambique, and other black "Frontline States." The wages they earn in South Africa comprise one of the largest sources of foreign exchange in those nations. For example, the 200,000 Basotho miners from Lesotho now working in South African gold mines produce 50 percent of Lesotho's GNP, and cannot possibly be employed in Lesotho's small country.

5. *Further Damage to Worldwide Commodity Prices.*—There is now a worldwide slump in commodity prices. Depressing the gold market would cripple the world gold mining industry—the only one today with a modicum of success.

6. *Jobs Lost in the United States.*—I am also concerned about the damage that would be done directly to the U.S. gold mining industry. I have had recent experience with this issue, as the Homestake mine in South Dakota—the largest gold producer in North America—has recently suffered as a result of the drop in world gold prices. Fifteen percent of Homestake's labor force has been laid off in the past 3 years as a result of the drop in gold prices. Homestake produces 15-20 percent of America's gold from the South Dakota mine alone, and about 30 percent of America's gold from all of its mines.

The gold mining industry in the United States is already in precarious shape. It has pared its profit margins to the bone, but employment, and still barely stays in business. High capital expenditures threaten to put many mines out of business. I would hope that the U.S. Congress does not add insult to injury by pulling the rug out from under the industry in a futile attempt to damage South Africa."

I also proposed an additional amendment for consideration, which I did not request a vote on. It would have added a new section 313, and the language was as follows:

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ADD A NEW SECTION 313

Given the probability that actions taken in this bill will lead directly or indirectly to intense economic hardship for African countries near to South Africa that are recipients of U.S. aid, this bill also provides up to the amount of $1 billion to assist these states in coping with economic dislocations resulting from the imposition of sanctions on South Africa in this bill.

RATIONALE

These 10 states are highly vulnerable to the negative consequences that would be associated with sanctions applied against South Africa. They are vulnerable due to the highly integrated nature of the regional economy, and they are also vulnerable to South African pressure against them. Either way—sanctions applied against South Africa will have an extremely debilitating effect upon the region as a whole.

As most of us know, these are all states that operate very much on the margin. They have exceedingly low average per capita incomes: in 1982 the World Bank estimated South Africa as having a per capita income of $2,700, with Swaziland at $940, Botswana $900, Zimbabwe $850, Zambia $640, Angola $590, Lesotho $510, Mozambique $230, Malawi $210, and Zaire $190. None of these states can afford further damage to economies already ravaged by war, drought, pestilence, and corruption.

Why would economic sanctions necessarily affect its neighbors? Southern Africa is the most highly integrated regional economic system of any in the world. As a consequence, South Africa's 10 immediate neighbors are directly dependent upon it for telecommunications, passenger and export rail transport, many key road transport systems, legal or illegal employment of approximately 1.5 million individuals, food shipments, agricultural assistance, health care and animal disease control. South Africa coordinates the customs system of three states in the region, and is directly or indirectly responsible for affecting more than 50 percent of the GNP of five neighboring states.

I set the recommended compensation figure for the region at a very *conservative* estimate: $1 billion. After evaluating several estimates provided in both classified and unclassified sources, I felt that this would be the minimum necessary to keep regional development from stagnating if punitive, economic sanctions are imposed on South Africa. Of course, the President could disburse whatever he felt was necessary, up to that maximum figure.

I hope that this amendment, even if it is not used during floor consideration, will give all members pause. It should force them to seriously reckon with the consequences of their actions. These studies certainly have given me reason to worry. I hope all of us will give serious consideration to this issue.

* * * * * * *

Finally, I should say that I have been a persistent opponent of apartheid throughout my entire career in Congress, and I remain a

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strong opponent of apartheid. Indeed, I voted for the Senate sanctions bill, the Anti-Apartheid Act of 1985, on 7/11/85.

However, I have become increasingly concerned over the last few weeks about the direction that Congress is taking on this issue.

I want to share my concerns with the readers of this committee report. I know that they trouble most of my colleagues, to a greater or lesser degree. They fall into six areas:

1. The *apparent and needless haste to pass something,* anything, even if it is not the most well-thought-out legislation;
2. The fact that *proposed legislation may not result in our stated purposes;*
3. The *cost in human terms* of legislation intended to help nonwhites in South Africa, and the cost to the neighboring 10 states;
4. The *likely consequences to the United States,* in terms of retaliatory trade, actions, and GNP and job losses;
5. The *illogic of severely punishing South Africa in the midst of a series of significant reforms;*
6. The consequences of the *severe damage already done to the South African economy* over the past 18 months.

Let me begin by saying that I have the greatest respect for my esteemed colleague Senator Lugar. I greatly value the contribution that he has made to major initiatives in this Congress, and around the world. My remarks are no reflection upon his efforts, but rather, a call for more caution and more thought in an exceedingly complex situation.

1. MORALITY REQUIRES REFLECTION, NOT IMPULSE

It seems to me that morality—true morality—requires reflection, not impulse.

The greatest religious and social philosophers over the past two millennium have emphasized that theme on every major issue requiring rigorous thought. I hope that we would give equal care to the major foreign and domestic issue currently facing the United States.

I know that there is ample pressure to take quick and forceful action, and that an easy answer might be to acquiesce to that pressure. I don't believe, however, that precipitous action in the Senate is in the best interests of the United States, of South Africa, or of the region.

I also know that the pressure is not an overwhelmingly one from the American public—for considerably more than 50 percent of our citizens have consistently stated in opinion polls that they do *not* support sanctions intended to damage the South African economy. Similarly, opinion polls taken of South African blacks consistently show that they do *not* support sanctions, if sanctions mean that they will suffer economic hardship.

So, I urge my colleagues to go home for the recess, and discuss the issue with their constituents. Let us use that time to listen to our people, and ask their guidance on this important issue.

I also counsel patience for two other important reasons: One, *the President asked for one year to consider the impact of his Executive order. It expires on September 9,* and I for one want to hear his assessment. Is that too much to ask for our President—no matter

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what our party is? Second, it seems to me that *hasty action by our body would make a mockery of the President's Advisory Commission.* A considerable effort has been expended in that Commission and its findings, and I think we deserve their wise counsel. Preliminary findings will be available in September.

2. DOES FURTHER SANCTIONS LEGISLATION SERVE OUR PURPOSES?

I am convinced that our Committee and our Congress has not rigorously addressed this issue. It is *assumed* that further economic sanctions will force the Pretoria government to concede power. I think that that is a dangerous assumption, one that is simply not borne out by the facts.

More likely, in fact, is another scenario: inflation rises, unemployment becomes crushing among non-whites, security is tightened, repression is enhanced, and violence is heightened. That is what I fear. The United States should not, and must not, induce more violence in South Africa.

What the United States should do is something that heretofore we have failed to do adequately: open more links to moderate, nonviolent non-whites of all persuasions—trade unionists, educators, businessmen.

3. CONSEQUENCES OF SANCTIONS FOR BLACKS

Frankly, I am worried about putting more non-whites out of work. Thousands have lost their jobs already over the last 18 months as the South African economy has suffered blow after blow: bans on major bank lending, Western sanctions, and a crisis in the investment climate.

I am also worried that those who assert that new sanctions won't hurt many blacks are deceiving themselves—*if sanctions won't hurt, why impose them? If they will cause great damage, then we must detail the cost,* in jobs lost, educational expenditures cut, and more people starving.

4. THE COST TO THE UNITED STATES

The United States is a heavy buyer of precious and strategic minerals and metals from South Africa and its Southern African neighbors. In terms of total U.S. trade these imports only amount to about 1 percent of U.S. trade, but in terms of their impact on virtually every high-tech and military industry in the United States, they are nearly irreplaceable.

Dare we take action without rigorously considering the consequences of those actions? I made a speech on the Senate floor recently in which I described the precarious situation we would face if strategic materials were cut off in retaliation for sanctions.

NEW DATA ON U.S. STRATEGIC MINERAL VULNERABILITY IN SOUTHERN AFRICA

Mr. PRESSLER. Mr. President, a new report issued by the Department of Interior called South Africa and Critical Minerals has just been issued, dated July 1986. It is my strong feeling that any critical rigorous analysis of our

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policies in South Africa should include the findings of this report.

It quantifies, for the first time in an unclassified source, the costs to the U.S. economy of a disruption in southern African supplies of strategic minerals in the following areas: Direct costs to U.S. Consumers by mineral losses in U.S. GNP, and the decrease in U.S. jobs associated with GNP losses. Data on Japanese and EEC losses is also provided.

Why is this relevant in the current debate?

Serious strategic mineral supply disruptions are well within the immediate realm of possibility, and their consequences for the American, European, and Japanese economies should be considered rigorously.

South African supply disruptions could occur as a result of any of the following:

Retaliation as a by-product of Western sanctions; labor unrest/strikes; guerrilla attack (the ANC has recently announced that such installations will no longer be eschewed; major unrest, with a breakdown in infrastructure; and a successor regime less inclined to sell to the United States and its allies.

In the current South Africa debate that is going on in the Foreign Relations Committee and throughout our Nation, I hope that the administration and the Congress will consider this report because it is part of a critical analysis of what is going to happen and where our foreign policy is going.

U.S. capabilities to respond to a strategic mineral supply disruption are far less than most Members of Congress and policymakers know. Why?

First. Unites States, Europe, and Japan are heavily dependent upon southern Africa. (See the attached table.)

Second. Strategic stockpiles not available short of war. The U.S. strategic reserves cannot be used, except in a national emergency (generally interpreted to mean a "war") and on the President's order. The law specifically states that they are not intended to be used to respond to economic disruptions.

Third. Stockpiles are grossly inadequate. With the exception of platinum-group metals (the PGM's), U.S. supplies of chromium, manganese, and cobalt "wouldn't make much good road fill," in the words of a senior Bureau of Mines official. Citing poor quality control, years of degradation, and excessive past sales, the "only strategic stock worth its name is $70 million worth of cobalt bought 3 years ago."

Fourth. Virtually all stocks are slated to be sold. Under the President's proposal to "modernize" the National Defense Stockpile, announced on July 8, 1985, U.S. strategic stocks will be drawn down from approximately $16 billion worth of key commodities to approximately $700,000. Another "supplemental stockpile" of $5 billion has been suggested, but is not provided for in any law and is not part of

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the official plan. Implementation studies are proceeding. (See the attached data.)

Fifth. Insufficient legal and regulatory authority to exploit domestic reserves. The Department of Interior lacks legislative authority to develop ocean floor deposits off of U.S. territories. Thus, it cannot exploit Johnson's Island, the only U.S. ocean site of current interest for major offshore mineral development. Also, Interior lacks the regulatory authority to develop hard mineral capabilities. Without legislation and regulatory authority, which it has been seeking over the past 3 years, the United States would be greatly delayed if it had to shift to domestic exploitation of mineral reserves.

Sixth. United States rapidly losing ferroalloy processing capabilities. The United States is rapidly losing its ability to process strategic minerals, even if it uses its stockpiles or is able to buy from abroad. Over two-thirds of U.S. ferroalloys are currently purchased or processed aboard. Most of our major ferroalloy plants have been moved offshore, including Union Carbide's plant to South Africa. A disruption of supplies from South Africa would cause immediate shortages in ferrochromium, ferromanganese, silicon metal, and ferrosilicon. Europe and Japan have an even more limited capacity, with processing restricted to three plants: one in Japan, one in Germany, and one in Norway.

ECONOMIC COSTS TO THE UNITED STATES

A complete cutoff of chromium from South Africa lasting 3 years (assuming a 90-percent cutoff from Zimbabwe due to its ore transport on South African railways). The direct cost to U.S. domestic consumers has been estimated by the Bureau of Mines in July 1986 at $3.6 billion. Assuming maximum conservation and substitution, the shortfall of chromium would reduce both intermediate and final product production during the 3-year period. The estimated impact on U.S. GNP resulting from the constraint imposed on domestic production would be $8.7 billion in the first year with over 296,000 jobs lost; during the second year, the GNP loss would be $4.6 billion and about 100,000 jobs; during the third year, GNP losses would be approximately $1.9 billion with about 41,000 jobs lost. A 3-year loss would cost $18.8 billion and 437,000 jobs.

A complete cutoff of manganese from South Africa. Direct costs to U.S. consumers of a cutoff of South African manganese would be approximately $1 billion. There would be little or no effect upon GNP or employment.

A complete cutoff of the platinum group metals and cobalt would be extremely serious, although dollar value estimates are not yet available. In fact, many GAO and Bureau of Mines estimates view the cutoff of these materials as more serious than the loss of chrome, as there are no U.S. domestic supplies of the PGM's.

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Mr. President, I hope that in the South Africa debate, a rigorous analysis is made of the impact of strategic materials needs and of this new report just issued by the Department of the Interior, "South Africa and Critical Materials," dated July 1986.

The Department of Interior has just released a major study on this issue and the consequences are shocking.

If we lost Southern African chromium alone, the cost to the U.S. economy over a three year period would be $18.8 billion and 435,000 jobs. Of course, this is only one of many strategic minerals that the U.S. imports from South Africa.

5. SIGNIFICANT PROGRESS HAS ALREADY BEEN MADE

Not one of the so-called pillars of apartheid has been left untouched by the Botha reform program. Over the past seven years great progress has been made in virtually every aspect of non-white life. The formerly all-white Parliament has been integrated through the creation of separate chambers for "Colored" and Asian citizens and the next session of Parliament will continue the process by calling for all MPs, white, Colored and Asian, to debate all measures together. The past laws have been abolished, with 19 million blacks allowed free movement throughout the Republic. Blacks have been given the right to freehold tenure in the formally white areas, and there has been a seven-fold increase in expenditures on black education. The prohibition of the Immorality and Mixed Marriages Acts have been repealed. In addition, Botha has recently established a "Statutory Council" whereby blacks and whites can "advise" the government on further constitutional reforms.

Given the fact that apartheid took from nearly twenty years to put into effect, and encompasses some 4,000 regulations, I don't think five years to dismantle its most egregious provisions is too much. I also believe that they deserve time to make further improvements.

6. SERIOUS DAMAGE ALREADY DONE TO THE SOUTH AFRICAN ECONOMY

Serious unrest, sparked at least in part by the economic downturn of 1984, has further exacerbated the economic crisis in South Africa. Black unemployment in many urban areas is estimated at 50 percent, and even white unemployment is rising. Some foreign companies have already shut down their operations in South Africa.

South Africa has a total foreign debt of $24 billion, and felt forced to declare a unilateral moratorium on debt repayment, largely due to the severe effect of a decision by major U.S. banking houses to cut off further loans.

Western sanctions have further eroded investor confidence in South Africa, and contributed to a precipitous fall in the value of the rand over the last 18 months.

Great damage has already been done to a budget that had scheduled massive increases in spending for non-whites. For the last 2 years, the South African Government has been spending more on black education than it has on its national defense. We must surely

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encourage Botha's government to continue these major reforms. Yet, with greatly increased pressure on the economy, many of these expenditures are in doubt.

Indeed, as we toy with imposing severe economic sanctions, few of us realize that we would doom massive South African expenditures for non-white education, health care, and job training.

Thus, in summary, I urge my colleagues to consider all of these matters in assessing the terrible tragedy of South Africa. A quick answer is not always the best one. Morality really does require reflection, not impulse.

LARRY PRESSLER.

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